

government economic policy as poor. Differences in voter preferences among demographic subgroups are shown in Table 3. In general, few large or significant differences were found across the various demographic groups, although Reagan voters did have higher incomes, and were more likely to be male. Only small differences were noted across age subgroups.

The favorable impact on consumer attitudes and expectations stemming from Reagan's election is characteristic of the presidential honeymoon. In the last two presidential elections, those who voted for the winning candidate had more optimistic economic expectations than respondents who voted for the losing candidate (Table 2). Although the margin of difference was larger in Reagan's 1980 election than in Carter's 1976 election victory, the same pattern of differences was present in both elections. Carter voters in 1976 and 1980 Reagan voters were more optimistic about their personal financial outlook as well as for the economy in general. And in both elections, those who voted for the losing incumbent rated the incumbent's economic policies significantly more favorably than those who voted for their winning opponents.

The fourth quarter 1980 surveys recorded the lowest level of confidence in government economic policy under the Carter administration. Among all families 46 percent rated government economic policy as poor, up from 44 percent in the third quarter, and 41 percent a year earlier.

Respondents were also asked whether they expected tax cuts during the next year. In the October survey, prior to the election, just 25 percent expected a tax reduction. In the post-election November survey, the proportion who expected a tax reduction nearly doubled, and stood at 46 percent. The much more widespread expectation of a tax reduction was related to more optimistic expectations about business conditions, but not personal finances (see Table 5). Although attitudes toward buying conditions were somewhat more favorable among those who expected a tax reduction, the margin was small and largely insignificant.

TABLE 3
PRESIDENTIAL VOTE PREFERENCES AMONG DEMOGRAPHIC SUBGROUPS

	Candidate Respondent Voted for:			
	<u>Carter</u>	<u>Reagan</u>	<u>Others</u>	<u>Total</u>
<u>Family Income</u>				
Less than \$10,000	48%	37%	15%	100%
\$10,000-14,999	45	48	7	100%
\$15,000-19,999	45	49	6	100%
\$20,000-24,999	37	55	9	100%
\$25,000-34,999	28	63	9	100%
\$35,000 and over	33	61	6	100%
<u>Age</u>				
18-24	37	53	10	100%
25-34	41	45	14	100%
35-44	39	53	8	100%
45-54	43	55	2	100%
55-64	43	51	6	100%
65 or older	38	52	10	100%
<u>Education</u>				
Less than high school	46	47	7	100%
High school graduate	39	54	7	100%
Some college	32	60	8	100%
College graduate	41	48	11	100%
<u>Sex</u>				
Male	34	55	11	100%
Female	45	48	7	100%

TABLE 4

EXPECTED TAX REDUCTION

<u>Expect Tax Reduction?</u>	<u>October 1980</u>	<u>November 1980</u>
Yes	25%	46%
No	64	42
Uncertain; don't know	10	11
Not ascertained	1	1
Total	100%	100%
Cases	685	694

The question was: "Do you think personal income taxes will actually be reduced or rebated in the next 12 months--I mean, will Congress pass such a law?"

TABLE 5

IMPACT OF EXPECTATIONS OF TAX CUT ON CONSUMER SENTIMENT
(November 1980)

	<u>Whether Respondent Expected Tax Cut During Next Year</u>	
	<u>Yes</u>	<u>No</u>
Index of Consumer Sentiment	81.2	73.6
Personal Finances		
Expected during next year	120*	119
Business Conditions		
Expected during next year	138	113
Expected next five years	104	83
Market Conditions		
Household durables	118	108
Cars	61	62
Houses	100	95

*Table entries are the proportion giving favorable replies minus the proportion giving unfavorable replies, plus 100.

Heightened Concern with Interest Rates

Interest rate expectations turned less favorable in late 1980, following strong improvements at mid-year. In the fourth quarter surveys, 51 percent of all families expected interest rates to increase during the year ahead, up from 38 percent in the third quarter, and somewhat below the year earlier reading of 57 percent. The second and third quarter 1980 surveys were the only two quarters during the past three years in which a majority of consumers did not expect interest rate increases during the year ahead.

Price expectations have remained largely unchanged during the past nine months, and remained somewhat below year earlier readings. In the fourth quarter 1980 surveys, consumers expected prices to increase on average by 9.3%, an insignificant difference from the 8.5% recorded in the third quarter, and 9.1% recorded in the second quarter 1980 surveys. Among families with incomes of \$20,000 and over, 44 percent expected price increases to average 10% or more in the fourth quarter of 1980, down from 51 percent in the fourth quarter of 1979.

In the third quarter 1980 surveys, unemployment was judged the more serious economic hardship facing the nation by nearly as many respondents who judged inflation the more serious economic hardship. By the fourth quarter, the balance of concern shifted back toward inflation, with 54 percent citing it as the more serious economic hardship compared with 34 percent who selected unemployment.

Unfavorable Credit Conditions Stifle Buying

Consumer attitudes toward buying conditions grew less favorable at year end 1980 due to a resurgence of concern over high interest rates and tight credit conditions. The sharpest declines recorded in the fourth quarter 1980 surveys were in attitudes toward market conditions for houses, with favorable buying attitudes falling to 28 percent, from 39 percent in the third quarter, and 34 percent in the fourth quarter of 1979. Among families with incomes of \$20,000 and over, sharper declines were recorded, with the proportion holding favorable buying attitudes falling to 30 percent in the fourth quarter, from 48 percent in the third quarter 1980, and 35 percent in the fourth quarter 1979 surveys. When asked to explain their opinions of buying conditions for houses, 74 percent of all high income families mentioned high interest rates or tight

credit conditions, up dramatically from the 45 percent recorded in the third quarter 1980 surveys, but comparable with the 80 percent recorded in the second quarter 1980, and 75 percent recorded in the fourth quarter of 1979. Except for the temporary improvement in the third quarter 1980, the proportion who mentioned unfavorable credit conditions averaged more than 70 percent since the fourth quarter 1979. Unfavorable references to high interest rates and tight credit conditions have dominated market evaluations for houses since the fourth quarter 1979 (see Chart 1). References to unfavorable credit conditions have varied considerably during the past decade. The recent peak and trough levels in the proportion of families who mentioned high interest rates and tight credit conditions when evaluating the housing market were as follows:

	<u>Percent Who Mentioned Unfavorable Credit Conditions</u>	
	<u>Low</u>	<u>High</u>
1967-70	13%	56%
1972-74	11	65
1977-80	9	72

Attitudes toward buying conditions for cars remained unchanged in the fourth quarter from the third quarter 1980 surveys, at levels comparable with year-earlier readings. Among all families, 40 percent rated buying conditions for automobiles favorably in the fourth quarter of 1980, unchanged from the 40 percent recorded in the second quarter, and 42 percent in the fourth quarter 1979. Among families with incomes of \$20,000 or more, favorable car buying attitudes have registered a small decline during the past year--42 percent in the fourth quarter, down from 45 percent in the third quarter 1980, and 49 percent in the fourth quarter 1979. The recent decline in favorable car buying attitudes was due to more frequent mentions of unfavorable credit conditions (Chart 2). Among high-income families, 22 percent mentioned high interest rates or tight credit conditions, up from 10 percent in the third quarter 1980 and 18 percent in the fourth quarter of 1979.

Summary Outlook

Although the fourth quarter 1980 surveys recorded an improvement in consumer sentiment, it was small and masked divergent trends in attitudes and expectations. The rapid improvement in expected business conditions was due to the hope of an improved economy under the Reagan administration, not on actual improvement, while evaluations of current market conditions have grown less favorable due to tight credit conditions. Given recent increases in interest rates, and the ephemeral nature of the presidential honeymoon, it is likely that consumer sentiment will follow a volatile path during the coming months. The data suggest that consumer sales will improve during the year ahead, but the expansion will be cautious and responsive to changes in credit conditions. At this time, it is not so much a matter of consumer unwillingness to purchase as consumer inability to purchase, especially in terms of credit conditions. The potential tax cut coupled with lowered interest rates in 1981 would greatly strengthen the path of recovery.

CHART 1

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

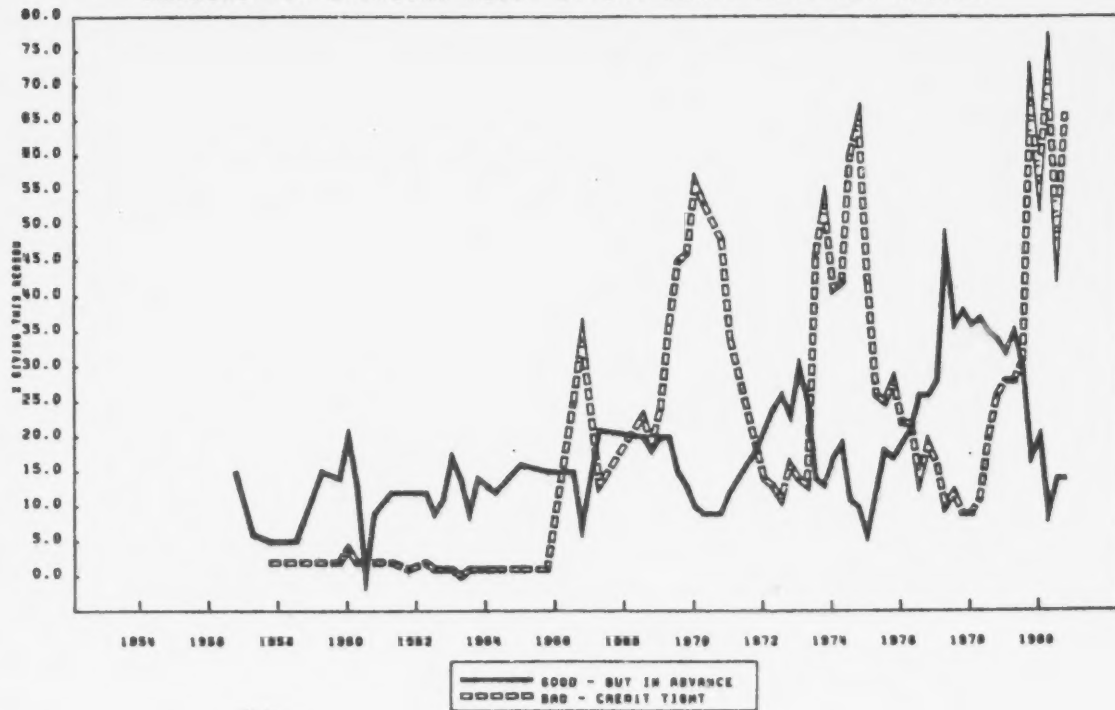
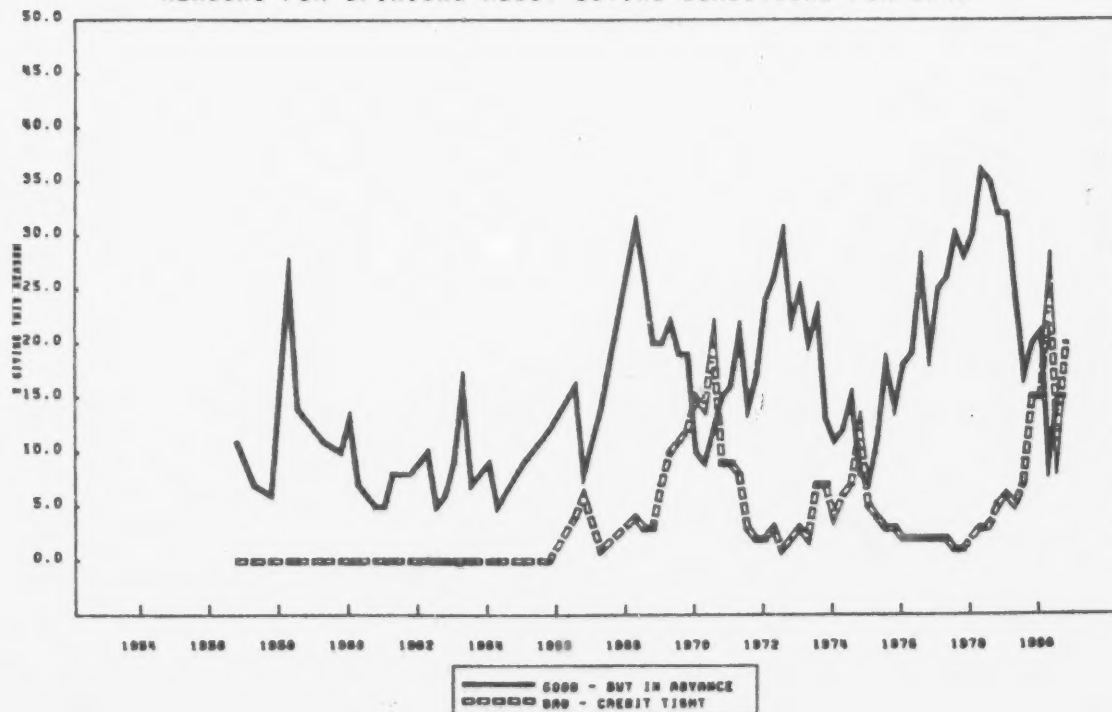


CHART 2

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS



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SURVEYS OF CONSUMER



MONITORING ECONOMIC CHANGE PROGRAM



Institute for Social Research

TABLES AND CHARTS

MARCH 1981

The March 1981 Survey is the 128th in a longitudinal series of surveys of consumer attitudes conducted during the last 30 years. The purpose of these surveys is to assess change in consumer attitudes and expectations, and to understand why these changes occur and how they affect consumer behavior. This type of information is essential for forecasting changes in discretionary spending and saving decisions.

Two charts are presented for most questions. One highlights recent changes in the quarterly observations for all families and for high-income families. The second chart gives historical data using quarterly results.

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33	CURRENT VEHICLE PURCHASE INTENTIONS
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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

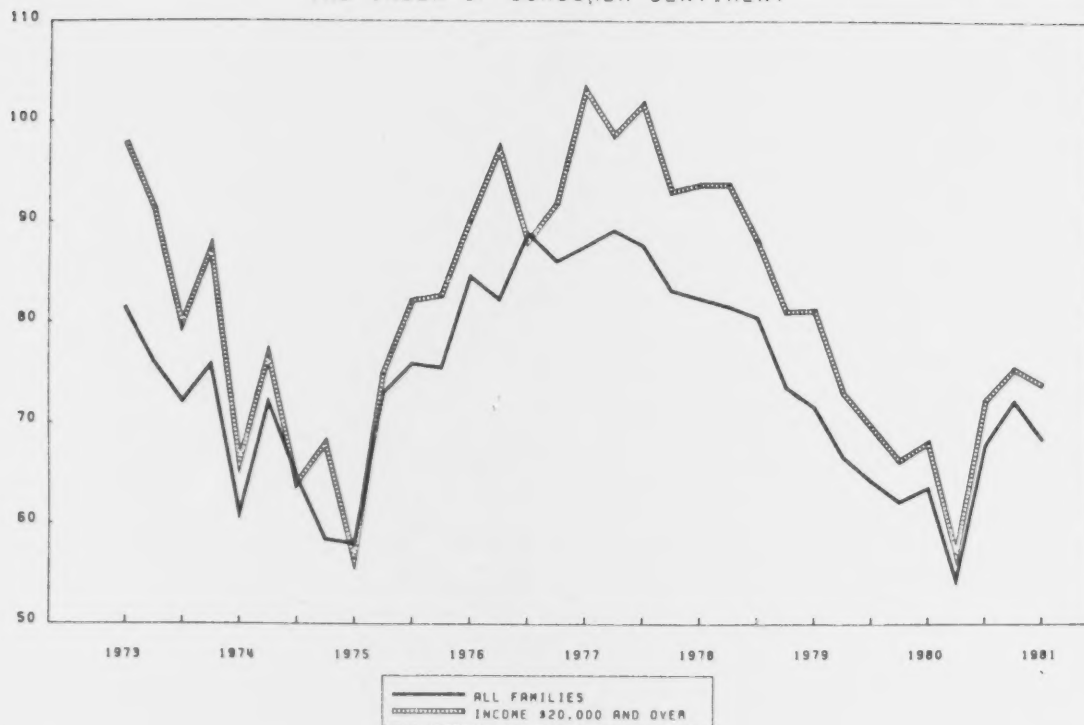


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

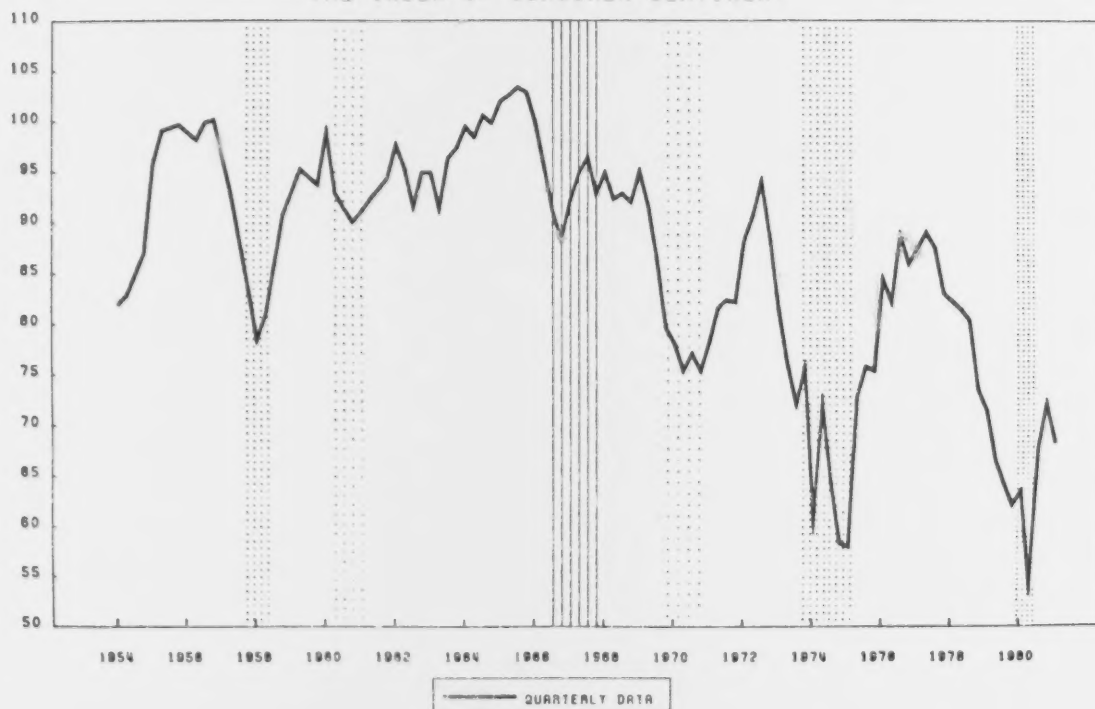


TABLE 1
THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over \$20,000	Families with incomes over \$25,000
July-Sep. 1973	71.9	79.7	
Oct.-Dec. 1973	75.8	87.3	
Jan.-Mar. 1974	62.0	66.0	
Apr.-June 1974	72.1	76.6	
July-Sep. 1974	64.6	63.9	
Oct.-Dec. 1974	58.3	67.9	
Jan.-Mar. 1975	58.3	56.5	
Apr.-June 1975	72.8	74.9	
July-Sep. 1975	76.0	82.1	
Oct.-Dec. 1975	75.3	82.6	
Jan.-Mar. 1976	84.6	90.2	
Apr.-June 1976	83.3	97.2	
July-Sep. 1976	88.9	88.0	
Oct.-Dec. 1976	86.0	91.8	
Jan.-Mar. 1977	87.5	103.1	
Apr.-June 1977	89.8	98.6	
July-Sep. 1977	87.6	101.7	
Oct.-Dec. 1977	83.1	94.0	95.5
Jan.-Mar. 1978	82.3	93.7	96.2
Apr.-June 1978	81.5	91.4	92.5
July-Sep. 1978	80.4	88.0	88.3
Oct.-Dec. 1978	73.5	81.0	83.0
Jan.-Mar. 1979	71.5	81.1	81.7
Apr.-June 1979	66.6	73.0	75.5
July-Sep. 1979	63.9	69.6	71.2
Oct.-Dec. 1979	62.1	66.7	69.5
Jan.-Mar. 1980	63.5	68.0	69.6
Apr.-June 1980	54.4	57.0	58.1
July-Sep. 1980	67.8	72.2	73.3
Oct.-Dec. 1980	72.1	75.3	78.3
Jan.-Mar. 1981	68.3	73.7	76.1

CHART 2A
THE INDEX OF CONSUMER SENTIMENT WITHIN REGIONS

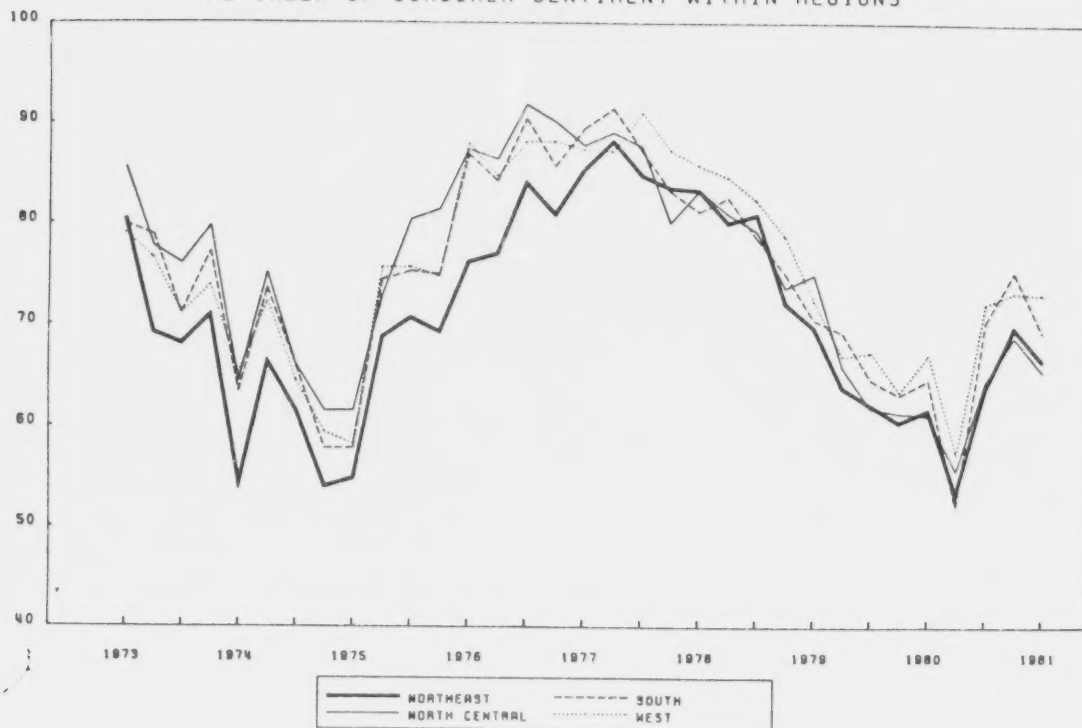


CHART 2B
THE INDEX OF CONSUMER SENTIMENT WITHIN AGE GROUPS

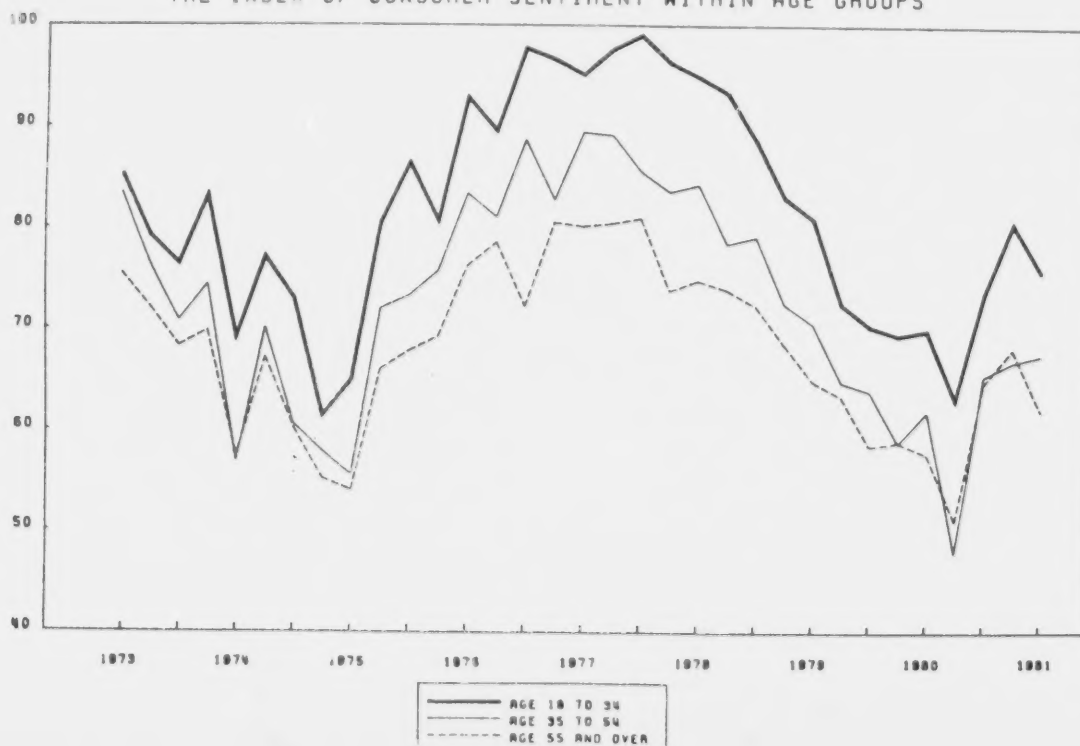


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
July-Sep. 1973	68.1	76.0	71.1	71.1	76.4	70.4	68.1
Oct.-Dec. 1973	70.9	79.7	77.1	74.0	83.1	74.3	68.3
Jan.-Mar. 1974	53.2	65.6	65.4	64.9	69.9	58.0	58.3
Apr.-June 1974	65.2	76.4	73.9	71.6	77.1	70.1	67.2
July-Sep. 1974	61.5	66.0	65.9	64.4	73.0	60.6	60.2
Oct.-Dec. 1974	54.0	61.5	57.8	59.4	66.0	58.5	55.2
Jan.-Mar. 1975	54.8	61.5	57.8	58.2	64.9	55.5	54.0
Apr.-June 1975	68.7	72.6	74.5	75.6	80.4	72.0	66.0
July-Sep. 1975	70.6	80.8	75.2	75.6	86.3	73.3	67.8
Oct.-Dec. 1975	68.2	81.3	74.9	74.7	80.6	75.6	69.3
Jan.-Mar. 1976	76.9	86.2	85.9	86.7	92.7	83.0	76.1
Apr.-June 1976	76.9	86.3	84.1	84.5	90.0	82.6	76.3
July-Sep. 1976	83.6	85.0	94.8	87.7	97.1	88.3	80.8
Oct.-Dec. 1976	80.8	90.1	85.6	88.5	96.6	82.7	80.5
Jan.-Mar. 1977	85.2	87.7	89.3	87.2	95.1	89.4	80.1
Apr.-June 1977	90.9	88.2	90.9	88.8	98.2	89.8	81.1
July-Sep. 1977	84.7	87.6	87.2	91.0	99.3	85.5	80.9
Oct.-Dec. 1977	83.4	80.0	83.1	87.2	96.3	83.5	73.8
Jan.-Mar. 1978	81.9	81.4	80.9	85.8	95.0	81.9	73.6
Apr.-June 1978	79.6	80.7	81.8	84.4	92.9	78.1	73.6
July-Sep. 1978	81.4	78.8	78.9	84.3	88.9	79.8	73.1
Oct.-Dec. 1978	71.3	72.9	74.0	77.0	81.6	71.3	67.8
Jan.-Mar. 1979	69.0	74.5	70.3	71.8	80.5	70.0	64.7
Apr.-June 1979	63.3	65.7	69.3	66.9	72.4	64.9	63.3
July-Sep. 1979	62.1	62.1	64.4	67.4	70.4	63.9	58.5
Oct.-Dec. 1979	60.3	61.3	63.2	63.3	69.5	58.7	58.9
Jan.-Mar. 1980	61.6	61.1	64.6	67.1	70.4	61.7	57.6
Apr.-June 1980	53.3	55.6	52.1	57.3	63.1	47.9	51.1
July-Sep. 1980	63.7	64.3	70.3	72.1	73.5	65.4	64.7
Oct.-Dec. 1980	69.7	68.8	75.2	73.2	80.5	66.8	68.1
Jan.-Mar. 1981	66.4	65.4	69.2	73.0	75.7	67.5	62.0

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS



CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

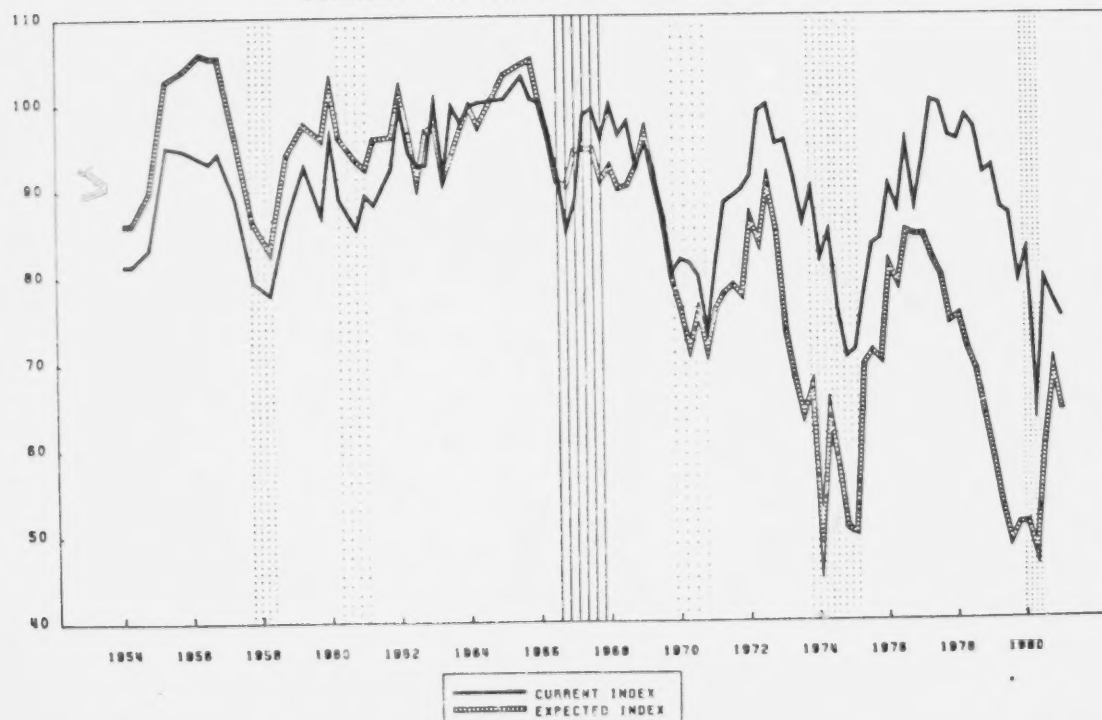


TABLE 3
COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions		Buying conds.	Current Index	Expected Index
	Current	Expected	12 months	5 years			
	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
July-Sep. 1973	93	106	76	66	127	85.8	63.0
Oct.-Dec. 1973	106	116	78	69	124	90.0	66.6
Jan.-Mar. 1974	88	99	45	46	122	82.1	49.1
Apr.-June 1974	101	113	75	65	116	84.9	63.9
July-Sep. 1974	85	102	63	60	108	75.6	57.5
Oct.-Dec. 1974	84	98	45	53	96	70.6	50.4
Jan.-Mar. 1975	80	103	45	48	100	70.9	50.2
Apr.-June 1975	87	118	92	66	111	77.7	69.7
July-Sep. 1975	93	109	97	76	120	83.4	71.2
Oct.-Dec. 1975	97	119	94	64	116	83.4	70.0
Jan.-Mar. 1976	103	125	119	80	128	89.9	81.2
Apr.-June 1976	103	119	119	78	126	89.1	79.5
July-Sep. 1976	104	119	127	92	139	94.8	85.1
Oct.-Dec. 1976	96	115	117	105	129	87.8	84.8
Jan.-Mar. 1977	99	120	116	97	141	93.5	83.6
Apr.-June 1977	109	117	121	94	148	99.8	83.4
July-Sep. 1977	108	116	116	86	148	99.5	80.0
Oct.-Dec. 1977	107	107	104	85	139	96.0	74.7
Jan.-Mar. 1978	104	110	102	82	140	94.9	74.1
Apr.-June 1978	105	108	98	74	147	98.2	70.7
July-Sep. 1978	106	111	94	70	144	97.2	69.6
Oct.-Dec. 1978	99	102	79	66	132	90.2	62.8
Jan.-Mar. 1979	98	99	68	61	138	92.2	58.1
Apr.-June 1979	89	92	58	57	135	87.6	53.2
July-Sep. 1979	92	96	48	46	131	87.0	49.0
Oct.-Dec. 1979	84	98	50	51	119	79.4	51.0
Jan.-Mar. 1980	86	99	50	49	126	82.6	51.1
Apr.-June 1980	77	98	35	51	88	65.0	47.6
July-Sep. 1980	91	111	64	62	111	79.4	60.3
Oct.-Dec. 1980	83	109	81	83	113	77.0	68.9
Jan.-Mar. 1981	82	106	70	75	109	74.9	64.0

(1) : SEE TABLE 4.

(2) : See Table 6.

(3) : See Table 18.

(4) : See Table 19.

(5) : See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

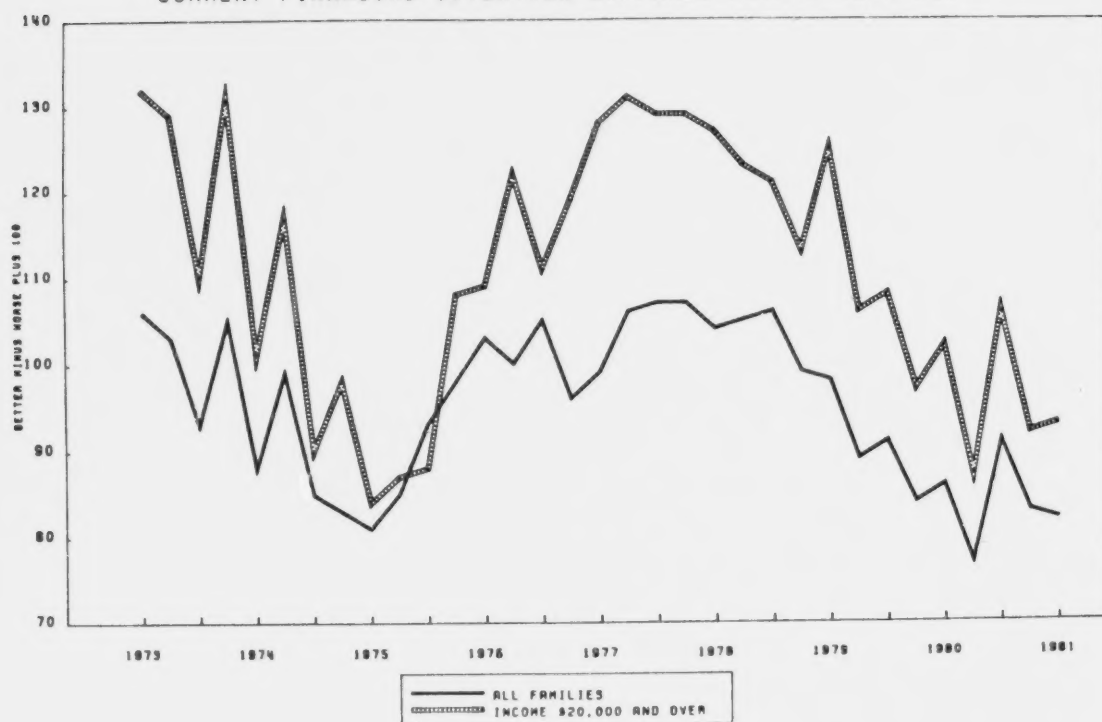


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

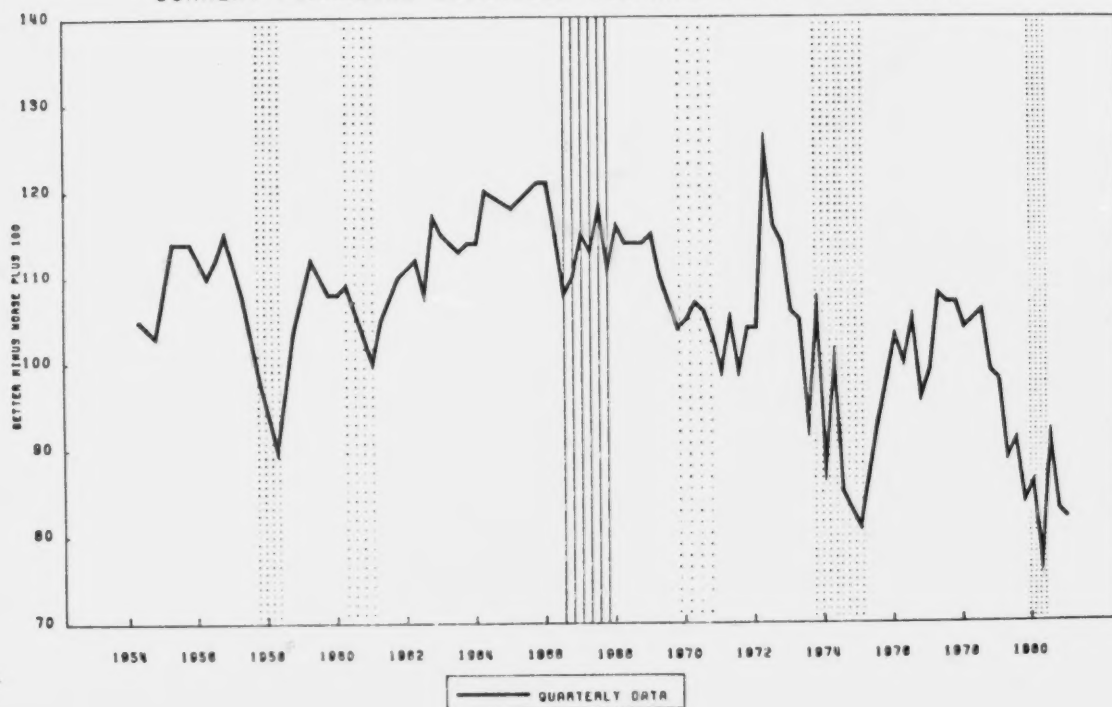


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
BETTER OFF	34%	38%	37%	35%	35%	32%	31%	28%	29%	25%	31%	28%	27%
SAME	34	29	30	29	28	25	28	26	27	26	27	27	28
WORSE OFF	31	32	32	35	37	42	40	45	44	48	40	44	45
DK, NA	1	1	1	1	*	1	1	1	*	1	2	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
BETTER OFF	50%	47%	47%	43%	50%	40%	41%	36%	39%	31%	38%	34%	34%
SAME	28	29	27	27	25	25	26	25	24	25	29	23	24
WORSE OFF	22	24	26	29	25	35	33	39	37	44	32	42	41
DK, NA	*	*	*	1	*	*	*	*	*	*	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

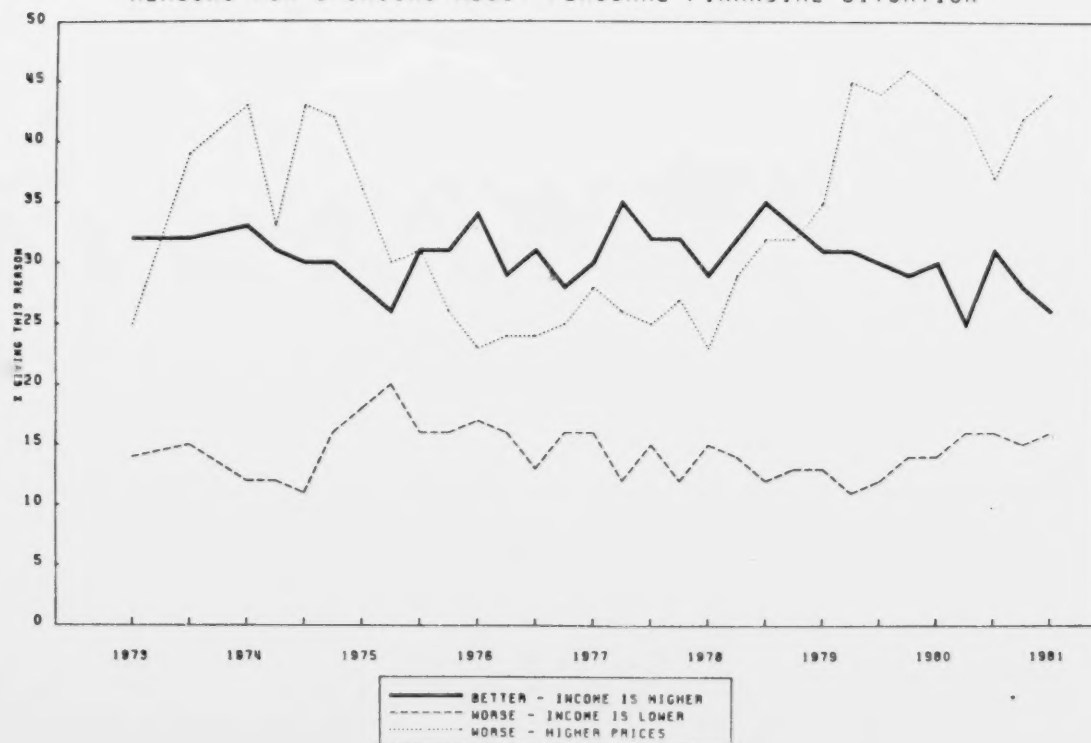


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981	
A. ALL FAMILIES														
BETTER OFF THAN YEAR AGO:														
Income is higher	29%	32%	35%	33%	31%	31%	30%	29%	30%	25%	31%	28%	26%	
WORSE OFF THAN YEAR AGO:														
Income is lower	15	14	12	13	13	11	12	14	14	16	16	15	16	
Higher prices	23	29	32	32	35	45	44	46	44	42	37	42	44	
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER														
BETTER OFF THAN YEAR AGO:														
Income is higher	46%	46%	49%	44%	51%	45%	43%	41%	44%	35%	43%	37%	35%	
WORSE OFF THAN YEAR AGO:														
Income is lower	10	10	7	9	8	8	9	10	11	13	12	12	14	
Higher prices	23	29	33	33	32	45	41	45	42	42	33	43	42	

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

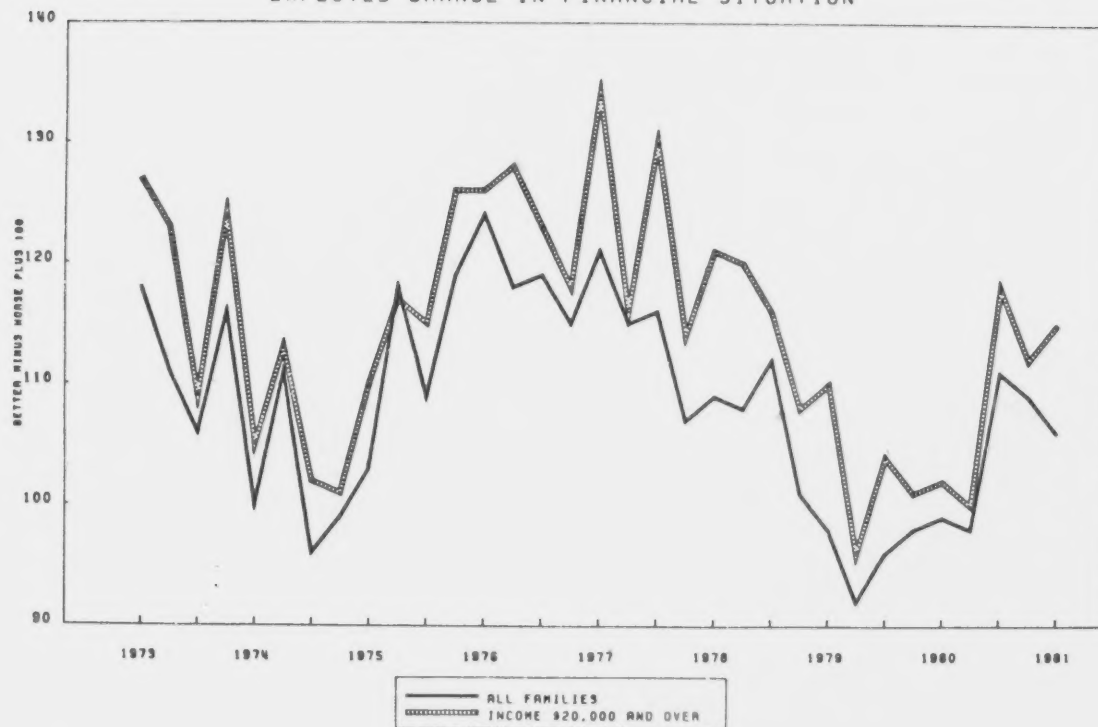


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

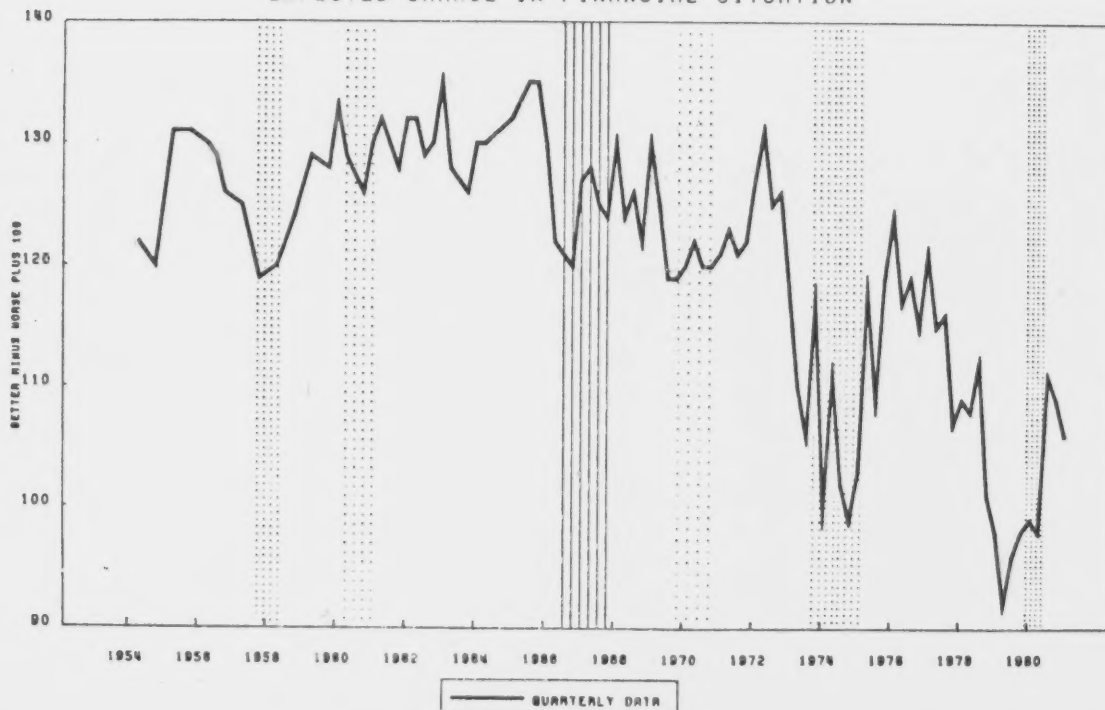


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
BETTER OFF	27%	28%	28%	24%	23%	21%	23%	23%	24%	26%	30%	28%	27%
SAME	50	49	51	46	48	47	48	48	46	43	47	46	47
WORSE OFF	18	20	17	23	25	29	26	26	25	28	19	20	21
DK,NA	5	3	4	7	4	3	3	3	5	3	4	6	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
BETTER OFF	34%	37%	34%	30%	30%	25%	27%	26%	25%	26%	35%	32%	32%
SAME	50	45	46	45	49	45	48	49	50	46	47	46	48
WORSE OFF	14	17	18	22	20	29	23	24	23	26	16	19	18
DK,NA	2	1	2	3	1	1	2	1	2	2	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION



CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

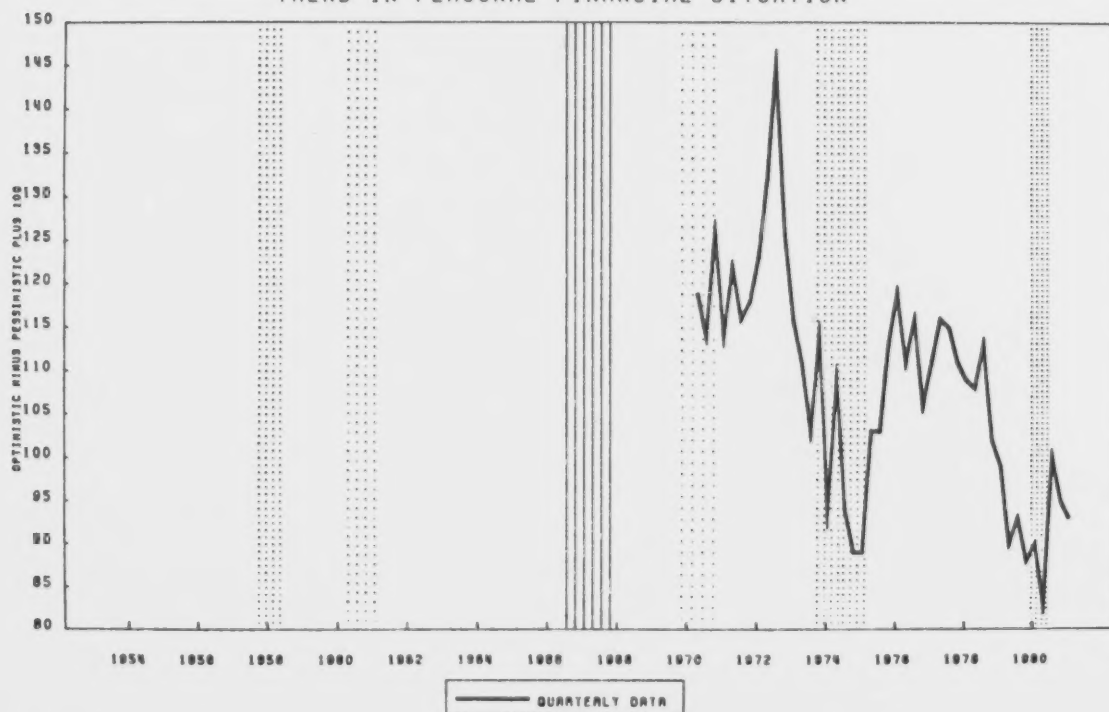


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	14%	16%	16%	14%	14%	11%	12%	11%	12%	10%	13%	11%	10%
Intermittant increase (b)	24	22	25	20	20	20	20	18	19	16	20	19	19
Remain unchanged (c)	19	18	18	17	17	15	16	15	14	13	15	14	15
Intermittant decline (d)	19	19	18	19	20	22	22	24	24	26	22	24	23
Continuous decline (e)	10	11	10	13	15	19	16	18	16	17	10	12	12
Mixed change (f)	9	11	8	10	9	9	11	11	11	15	15	14	15
DK,NA	5	3	5	7	5	4	3	3	4	3	5	6	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	21%	24%	23%	20%	22%	16%	16%	13%	15%	12%	16%	15%	13%
Intermittant increase (b)	31	27	27	24	27	24	26	21	21	17	25	21	23
Remain unchanged (c)	17	16	16	14	15	13	15	15	14	13	16	10	12
Intermittant decline (d)	13	16	13	19	15	19	18	23	22	27	19	25	23
Continuous decline (e)	7	8	12	11	11	16	13	14	14	14	7	11	10
Mixed change (f)	9	8	8	8	8	11	10	12	12	15	15	14	16
DK,NA	2	1	1	4	2	1	2	2	2	2	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
 (b) Better/Same or Same/Better
 (c) Same/Same
 (d) Worse/Same or Same/Worse
 (e) Worse/Worse
 (f) Worse/Better or Better/Worse

TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
EXPECT INCREASE:													
1-4%	5%	8%	5%	5%	6%	5%	5%	5%	6%	5%	6%	7%	7%
5%	7	9	10	9	10	7	7	8	8	7	9	8	8
6-9%	9	13	11	10	14	15	17	14	14	13	14	12	10
10-24%	13	16	18	14	16	18	19	19	20	24	20	23	20
25% or more	5	8	8	7	7	8	6	6	9	7	5	7	7
DK how much up	12	9	10	11	9	8	8	8	7	8	10	9	9
EXPECT SAME	33	25	26	31	25	26	27	28	24	23	21	22	23
EXPECT DOWN	11	7	9	9	10	9	8	8	10	11	13	9	12
DK,NA	5	5	3	4	3	4	3	4	2	2	2	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
EXPECT INCREASE:													
1-4%	8%	7%	5%	5%	7%	6%	4%	5%	6%	4%	6%	6%	7%
5%	10	11	14	10	12	8	9	9	8	10	9	9	10
6-9%	14	16	17	17	22	22	18	22	20	20	19	18	14
10-24%	25	29	27	18	27	23	29	28	26	29	28	29	30
25% or more	6	5	5	9	5	8	8	8	8	6	5	7	6
DK how much up	10	9	5	12	7	6	9	5	6	4	6	7	5
EXPECT SAME	16	16	19	21	13	18	15	17	17	15	12	13	16
EXPECT DOWN	9	7	8	7	6	8	7	5	8	12	13	10	11
DK,NA	2	*	*	1	1	1	1	1	1	*	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

* : Less than half of one percent.

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP DURING THE LAST YEAR

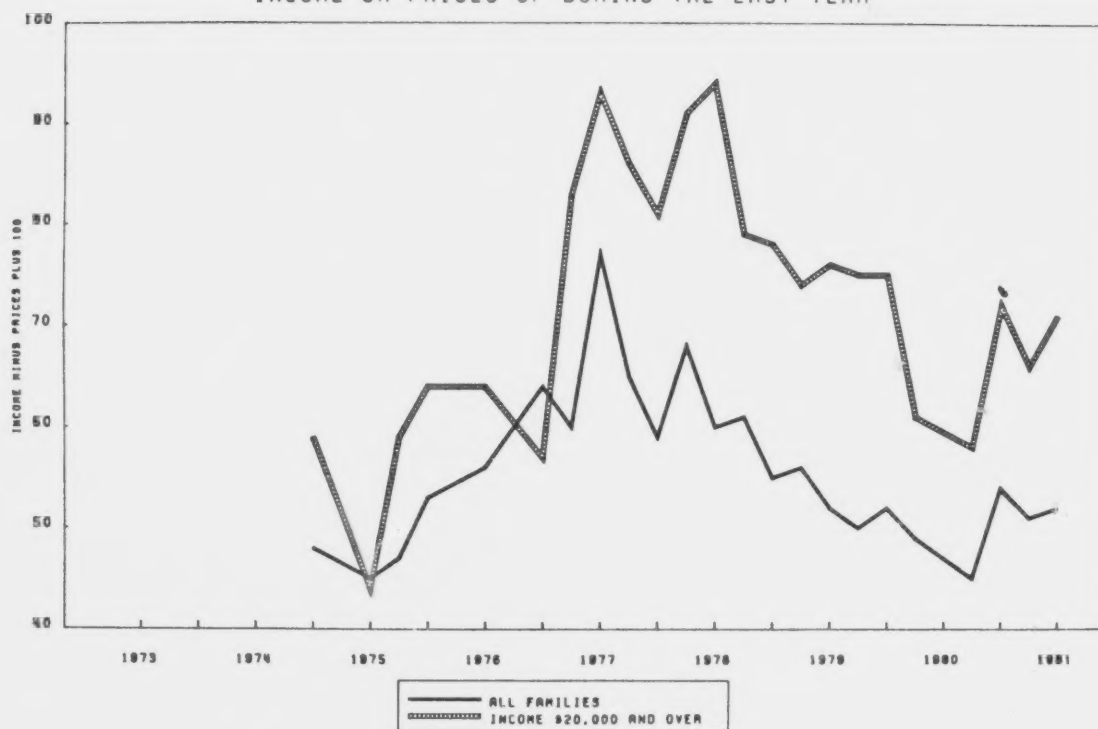


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
INCOME UP MORE	13%	15%	13%	11%	11%	11%	12%	12%	13%	10%	12%	12%	12%
INCOME UP SAME	31	27	29	31	27	25	25	23	27	23	28	26	26
PRICES UP MORE	53	54	56	55	59	61	61	63	59	65	59	60	60
DK, NA	3	4	2	3	3	3	2	2	1	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
INCOME UP MORE	27%	22%	21%	18%	22%	22%	22%	16%	17%	16%	20%	16%	20%
INCOME UP SAME	40	34	36	37	30	30	31	28	34	27	31	32	30
PRICES UP MORE	33	43	43	44	46	47	47	55	48	57	48	51	50
DK, NA	*	1	*	1	2	1	*	1	1	*	1	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP DURING THE NEXT YEAR

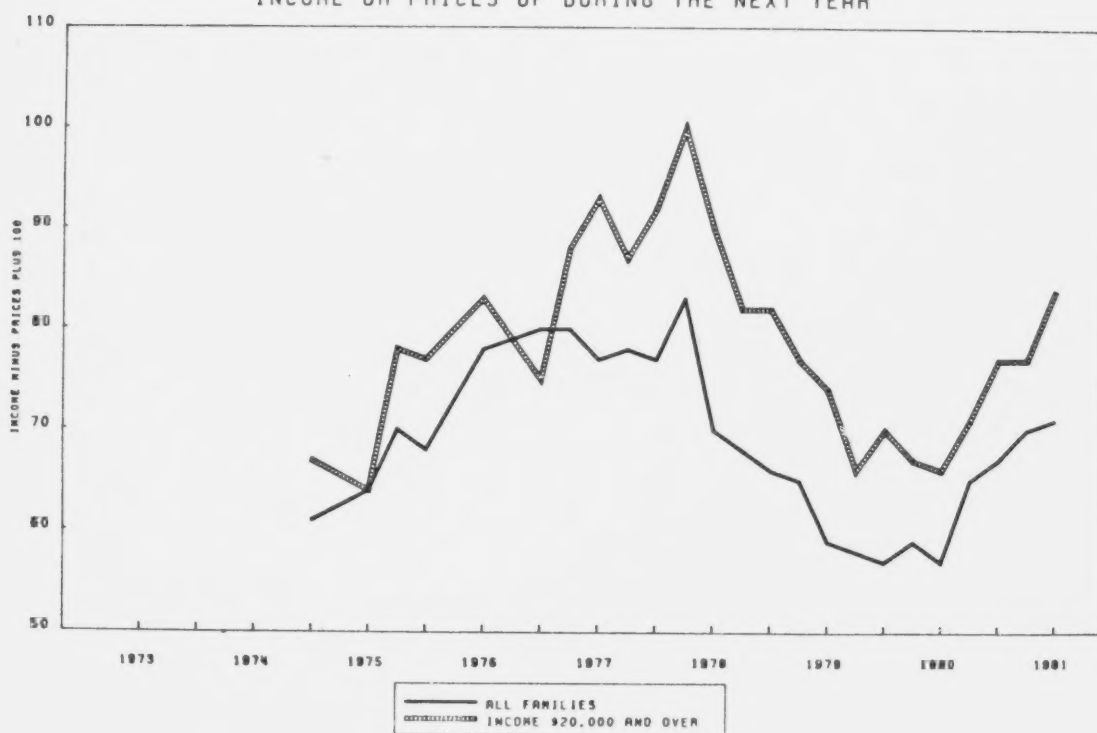


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
INCOME UP MORE	12%	12%	11%	11%	10%	10%	11%	10%	10%	13%	12%	14%	13%
INCOME UP SAME	42	39	39	37	35	33	33	35	34	37	39	40	40
PRICES UP MORE	42	44	47	47	51	52	52	51	53	47	45	43	42
DK, NA	4	5	3	5	4	5	4	4	3	3	4	3	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
INCOME UP MORE	20%	19%	21%	17%	18%	15%	16%	14%	15%	15%	18%	16%	19%
INCOME UP SAME	46	42	40	41	37	35	37	39	36	41	39	43	43
PRICES UP MORE	32	37	38	40	44	49	46	46	48	43	41	39	36
DK, NA	2	2	1	2	1	1	1	1	1	1	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

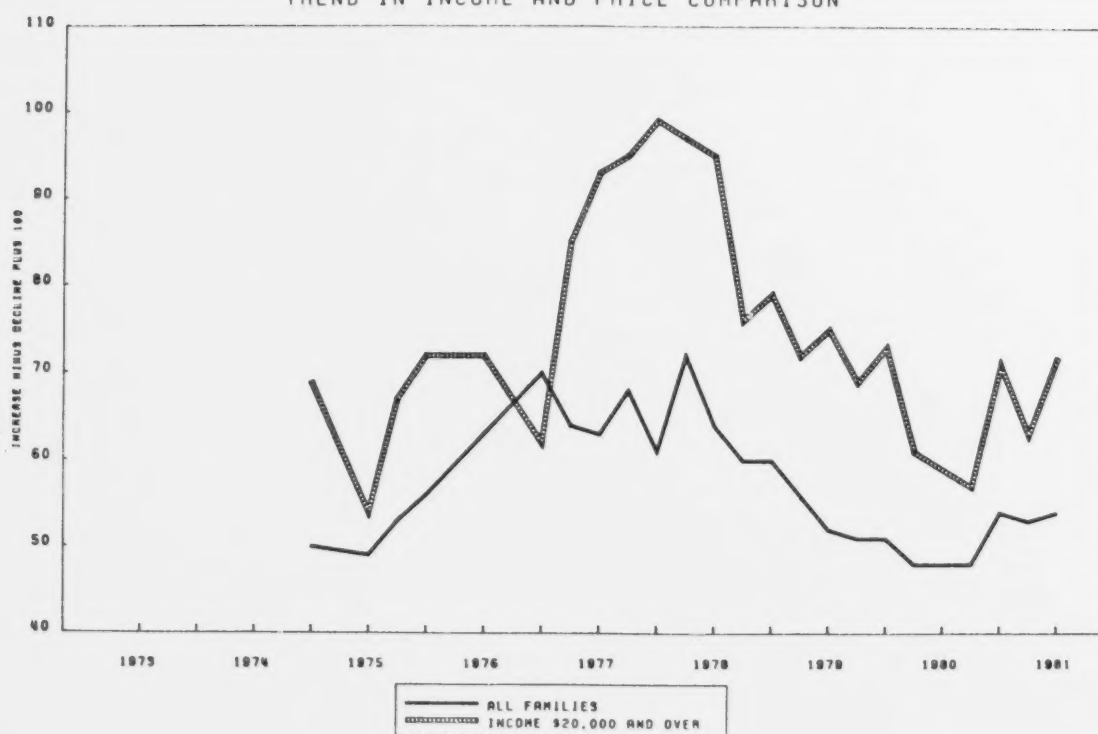


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Jan- Mar.	Apr- June	Jul- Sept	Oct- Dec.	Jan- Mar.	Apr- June	Jul- Sept	Oct- Dec.	Jan- Mar.	Apr- June	Jul- Sept	Oct- Dec.	Jan- Mar.
	1978	1978	1978	1978	1979	1979	1979	1979	1980	1980	1980	1980	1981
A. ALL FAMILIES													
REAL INCOME PROGRESS:													
Continuous increase (a)	7%	8%	5%	5%	4%	4%	4%	4%	7%	4%	4%	6%	6%
Intermittant increase (b)	8	8	10	7	7	7	8	8	8	9	10	8	9
Remain unchanged (c)	21	17	18	19	18	15	15	14	16	13	16	16	16
Intermittant decline (d)	19	20	20	21	18	21	20	22	19	24	22	25	24
Continuous decline (e)	32	36	35	35	41	39	41	42	42	40	37	35	35
Mixed change (f)	5	4	6	5	6	7	7	6	6	6	6	6	5
DK,NA	8	7	6	8	6	7	5	4	2	4	5	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

B. FAMILIES WITH INCOMES OF \$20,000 AND OVER

REAL INCOME PROGRESS:													
Continuous increase (a)	15%	13%	9%	9%	11%	9%	9%	7%	10%	7%	9%	9%	11%
Intermittant increase (b)	15	10	14	12	12	11	14	10	9	10	15	8	12
Remain unchanged (c)	28	24	24	25	20	19	20	18	22	16	17	20	19
Intermittant decline (d)	14	17	15	18	17	17	18	22	18	25	20	25	22
Continuous decline (e)	21	30	29	31	31	34	32	34	34	34	31	29	28
Mixed change (f)	5	4	8	3	7	7	6	8	6	7	6	6	6
DK,NA	2	2	1	2	2	3	1	1	1	1	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Combination of the responses to the questions on Tables 9 and 10.

- Key: (a) Income up more last year/Income up more next year
 (b) Income up more/Same or Income up same/More
 (c) Income up same/Same
 (d) Prices up more/Same or Prices up same/More
 (e) Prices up more/More
 (f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

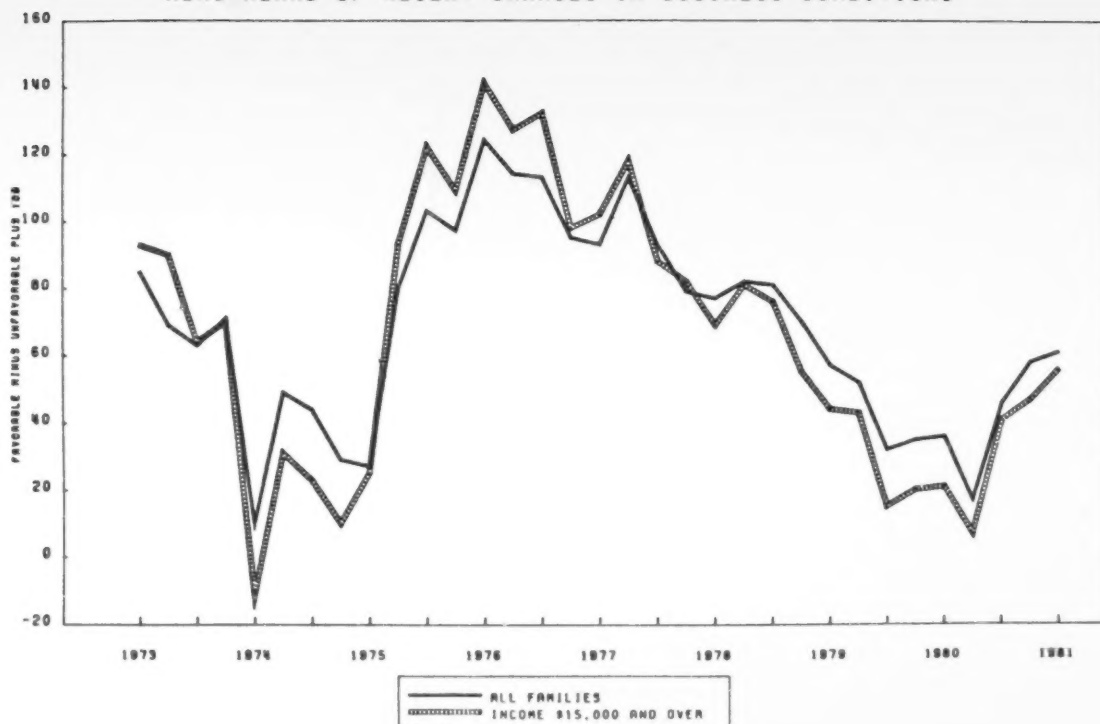


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

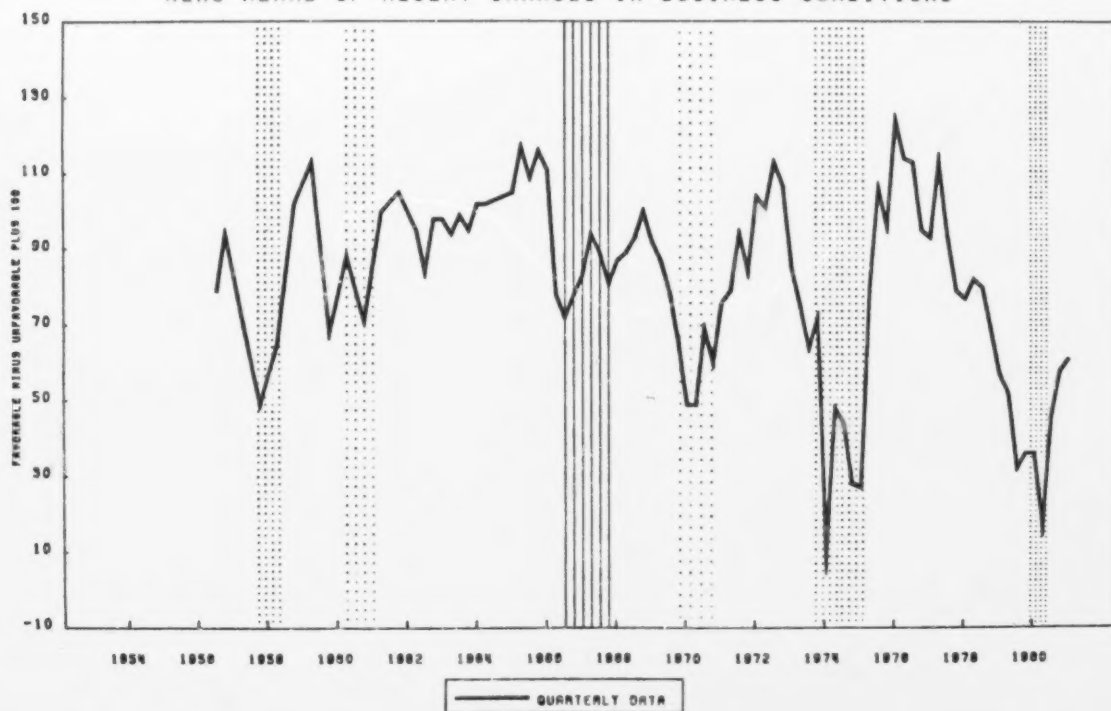


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
FAVORABLE NEWS	20%	25%	22%	18%	16%	16%	12%	12%	14%	12%	24%	24%	24%
UNFAVORABLE NEWS	43	43	42	49	59	64	80	76	78	94	79	66	63
NO MENTIONS	52	48	50	50	45	42	38	42	40	31	34	41	42
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
FAVORABLE NEWS	26%	35%	30%	20%	22%	22%	15%	16%	15%	15%	31%	29%	34%
UNFAVORABLE NEWS	57	54	55	65	78	79	100%	97	94	108	89	82	78
NO MENTIONS	39	36	37	39	31	30	26	29	31	23	26	30	30

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
FAVORABLE NEWS:													
Government; elections	2%	2%	3%	3%	1%	1%	1%	1%	1%	1%	1%	4%	7%
Employment	9	9	8	7	6	6	5	4	5	2	6	7	6
Higher consumer demand	2	2	2	2	2	1	1	1	1	1	2	2	1
Lower prices	1	*	1	*	1	1	*	1	1	1	1	1	1
Easier credit	*	*	*	*	*	*	*	*	1	4	7	1	3
UNFAVORABLE NEWS:													
Government; elections	3	4	5	3	5	3	3	3	3	3	3	3	5
Unemployment	11	9	10	10	11	12	18	18	17	37	33	22	18
Lower consumer demand	2	2	1	2	3	3	7	8	9	9	11	9	11
Higher prices	5	10	10	11	15	18	18	13	16	12	12	9	9
Tighter credit	2	3	4	7	6	3	5	14	13	16	6	13	8
Energy crisis	1	*	1	1	4	11	10	4	3	1	1	1	1
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
FAVORABLE NEWS:													
Government; elections	2%	1%	2%	4%	3%	2%	1%	1%	1%	2%	1%	5%	12%
Employment	9	13	12	7	7	8	6	5	5	3	6	9	8
Higher consumer demand	4	4	2	2	2	2	1	1	1	*	2	2	2
Lower prices	*	*	2	1	1	*	*	1	1	1	1	1	1
Easier credit	*	1	1	*	*	1	*	1	1	7	11	2	3
UNFAVORABLE NEWS:													
Government; elections	6	5	5	4	7	4	3	4	3	3	4	3	6
Unemployment	11	9	8	11	12	12	19	20	21	39	38	26	19
Lower consumer demand	3	2	1	2	3	4	10	10	12	12	13	11	13
Higher prices	6	14	12	13	20	22	21	15	18	12	9	9	10
Tighter credit	4	6	9	11	11	6	8	22	18	23	8	19	15
Energy crisis	2	*	2	1	7	14	12	5	3	1	1	1	1

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO



CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

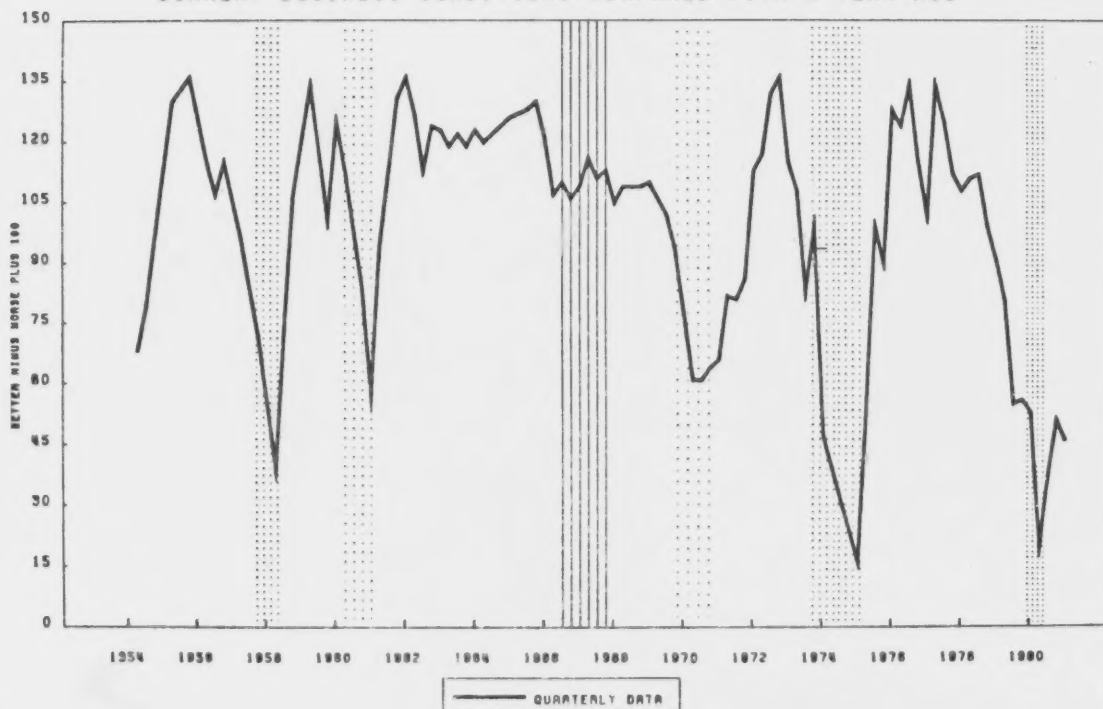


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
BETTER NOW	43%	46%	46%	38%	36%	32%	21%	20%	19%	7%	15%	19%	15%
SAME	18	16	15	19	15	14	10	12	12	6	7	11	14
WORSE NOW	35	35	35	39	45	50	66	65	66	86	77	67	69
DK,NA	4	3	4	4	4	4	3	3	3	1	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
BETTER NOW	49%	53%	52%	44%	39%	39%	23%	19%	18%	4%	14%	18%	16%
SAME	17	15	13	15	15	13	9	10	12	5	5	11	12
WORSE NOW	32	31	33	39	45	46	66	70	69	90	80	70	71
DK,NA	2	1	2	2	1	2	2	1	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

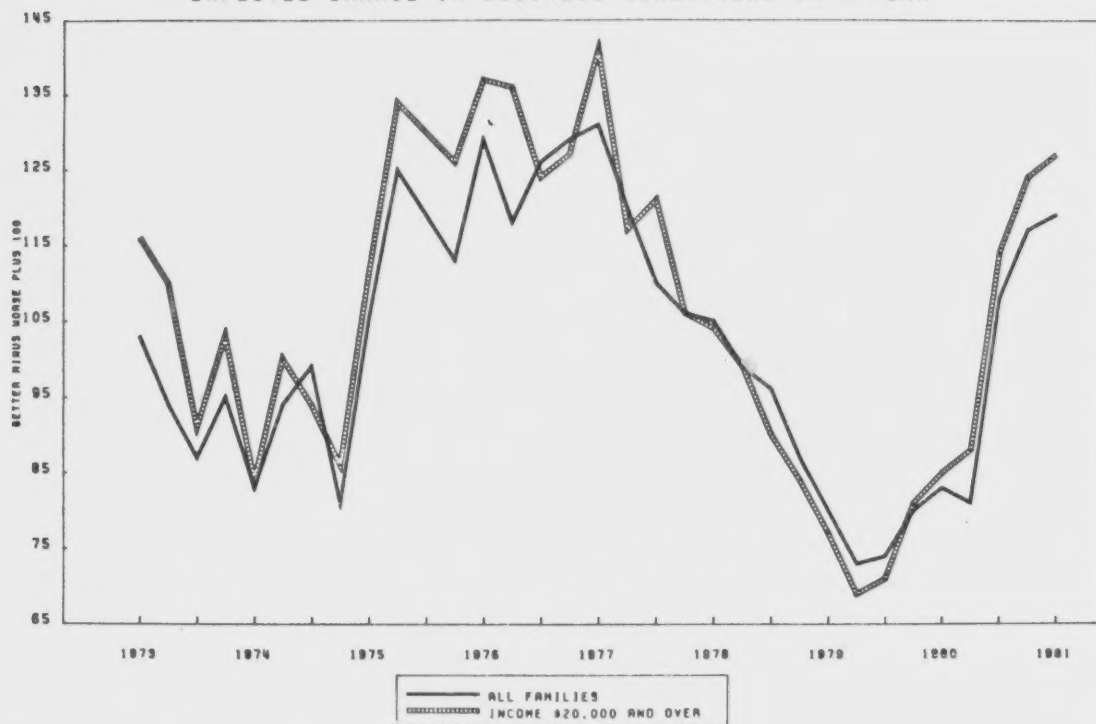


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

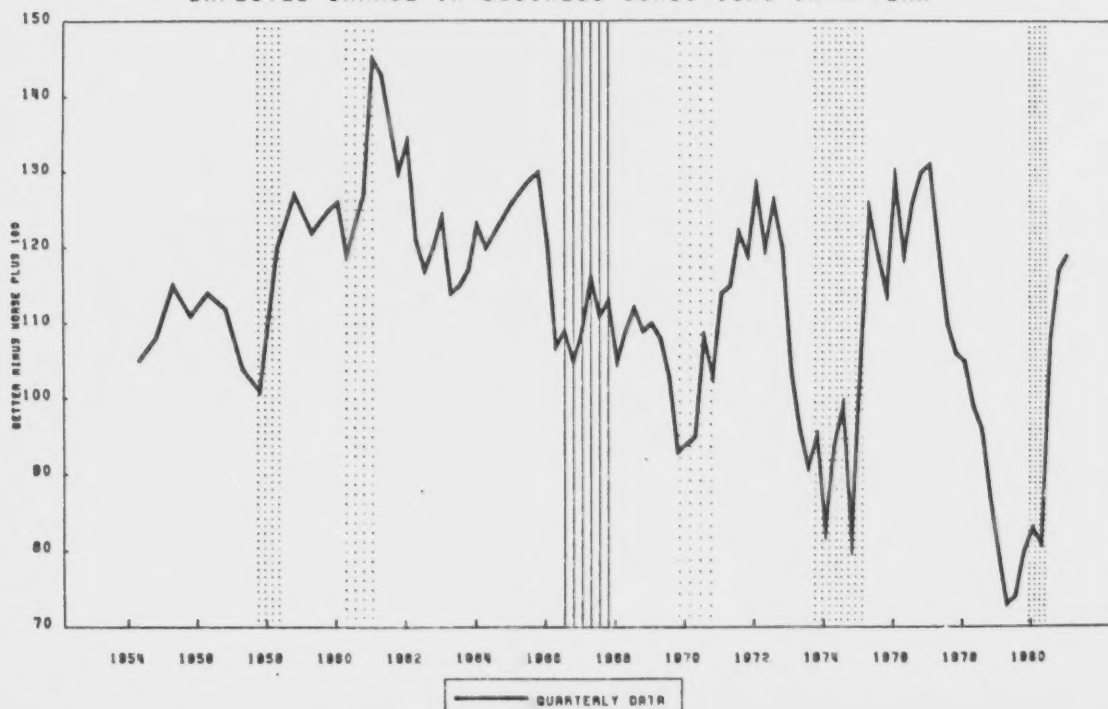


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
BETTER	24%	21%	19%	17%	14%	11%	13%	15%	17%	20%	29%	34%	37%
SAME	53	54	55	49	48	46	45	46	45	37	45	44	42
WORSE	19	22	23	29	34	39	39	36	35	39	22	17	18
DK, NA	4	3	3	5	4	4	3	3	3	4	4	5	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
BETTER	23%	22%	19%	18%	15%	13%	15%	18%	19%	24%	34%	40%	42%
SAME	55	53	51	44	45	43	39	43	45	38	44	41	40
WORSE	19	23	29	34	38	43	45	38	35	36	20	16	15
DK, NA	3	2	1	4	2	1	1	1	1	2	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
FAVORABLE REASONS:													
Government; elections	6%	5%	7%	6%	5%	4%	6%	9%	11%	10%	15%	26%	33%
Employment	9	8	4	4	4	3	2	2	4	2	4	4	3
Higher consumer demand	4	3	4	3	3	4	3	2	3	2	3	3	2
Lower prices	1	1	2	3	2	1	1	2	1	3	2	3	2
Easier credit	*	*	*	*	1	1	*	2	1	3	3	2	3
UNFAVORABLE REASONS:													
Government; elections	8	8	13	8	12	9	9	8	13	10	9	9	8
Unemployment	6	6	7	5	5	5	9	9	5	12	8	6	6
Lower consumer demand	2	3	4	4	4	5	7	7	7	5	5	3	4
Higher prices	9	18	20	21	22	27	24	23	16	16	11	9	9
Tighter credit	*	1	2	4	2	3	2	7	3	7	2	4	3
Energy crisis	2	2	1	1	4	14	8	6	6	2	1	1	1
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
FAVORABLE REASONS:													
Government; elections	6%	5%	7%	6%	7%	4%	7%	12%	15%	11%	17%	31%	38%
Employment	9	9	5	2	3	2	3	1	4	3	5	5	3
Higher consumer demand	4	4	5	3	4	3	2	3	5	2	4	5	3
Lower prices	2	1	2	3	2	1	2	2	2	4	2	3	3
Easier credit	1	1	1	1	2	1	*	4	3	6	3	4	5
UNFAVORABLE REASONS:													
Government; elections	13	14	15	11	12	10	11	10	13	8	9	8	8
Unemployment	5	5	8	4	5	4	9	9	4	11	7	4	4
Higher consumer demand	2	3	5	4	5	5	7	7	6	5	6	4	5
Higher prices	13	24	18	21	27	31	27	28	21	15	10	10	7
Tighter credit	1	2	2	6	4	3	2	11	3	9	3	5	4
Energy crisis	2	1	1	1	6	16	12	6	5	3	1	1	2

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS



CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

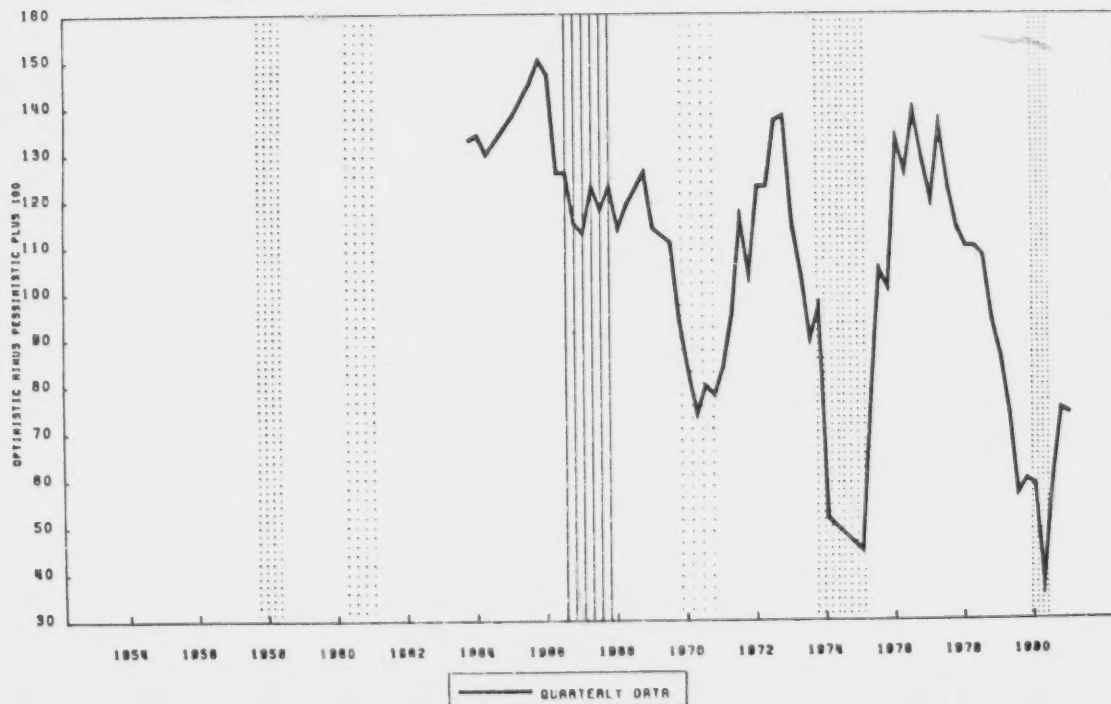


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
TREND:													
Continuous increase (a)	15%	14%	14%	10%	8%	7%	4%	5%	6%	2%	5%	8%	7%
Intermittant increase (b)	26	29	27	23	21	16	13	12	10	5	9	12	12
Remain unchanged (c)	12	10	10	10	9	9	5	7	7	2	3	5	7
Intermittant decline (d)	19	19	20	21	21	25	29	30	31	33	35	31	30
Continuous decline (e)	12	13	13	18	22	24	31	28	26	36	19	14	15
Mixed change (f)	10	10	10	10	12	13	13	13	15	18	24	23	24
DK, NA	6	5	6	8	7	6	5	5	5	4	5	7	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
TREND:													
Continuous increase (a)	16%	16%	15%	11%	8%	8%	5%	5%	5%	2%	6%	10%	9%
Intermittant increase (b)	30	31	28	24	22	20	14	12	11	3	8	12	11
Remain unchanged (c)	12	10	9	8	8	7	3	5	7	2	2	5	5
Intermittant decline (d)	17	17	17	17	21	21	26	31	31	35	35	29	31
Continuous decline (e)	11	13	16	20	23	25	34	30	27	34	18	14	13
Mixed change (f)	10	10	13	14	15	16	15	15	16	22	28	26	28
DK, NA	4	3	2	6	3	3	3	2	3	2	3	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Combination of the responses to the questions on Tables 14 and 15.

- Key: (a) Better than a year ago/Better a year from now
 (b) Better/Same or Same/Better
 (c) Same/Same
 (d) Worse/Same or Same/Worse
 (e) Worse/Worse
 (f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS



CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

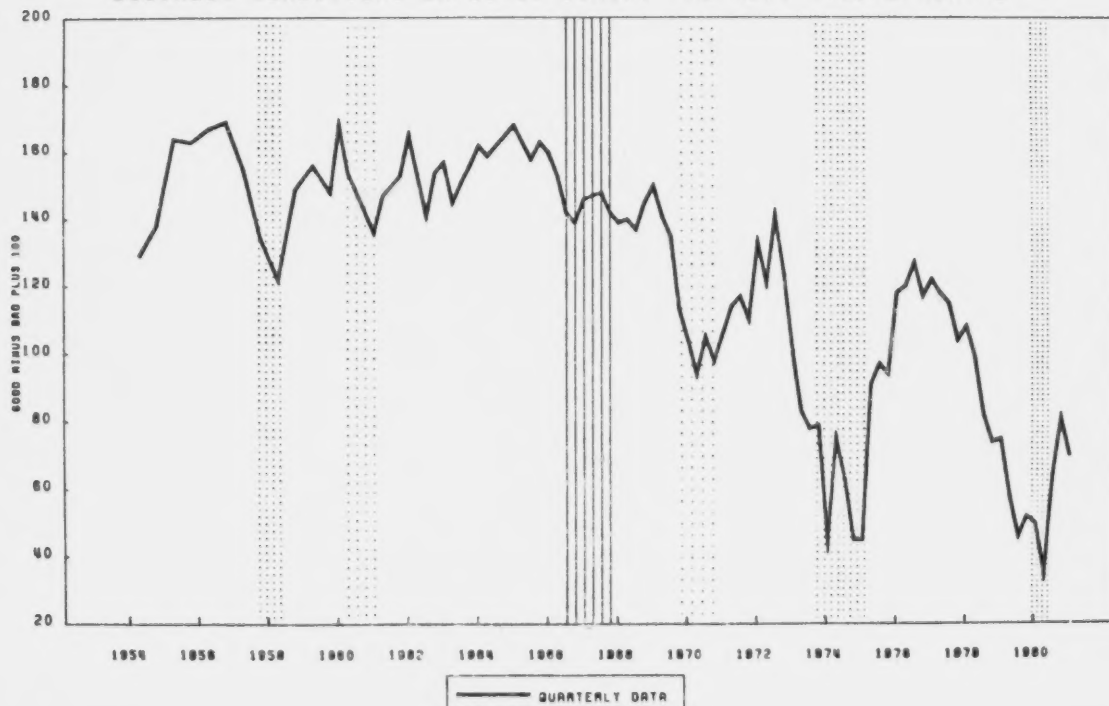


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIMES	41%	42%	39%	29%	25%	22%	18%	19%	20%	14%	26%	32%	28%
UNCERTAIN; GOOD & BAD	8	5	6	8	6	4	2	2	1	1	2	2	3
BAD TIMES	39	43	45	50	57	63	69	69	70	78	63	52	58
DON'T KNOW	7	6	6	9	7	5	5	4	4	4	6	8	7
NOT ASCERTAINED	5	4	4	4	5	6	6	6	5	3	3	6	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIMES	50%	49%	47%	33%	30%	26%	19%	20%	21%	15%	28%	33%	33%
UNCERTAIN; GOOD & BAD	7	7	7	9	6	4	2	2	1	2	2	2	2
BAD TIMES	34	37	42	51	58	63	72	70	71	80	66	55	59
DON'T KNOW	4	3	2	4	3	2	2	2	3	1	2	5	2
NOT ASCERTAINED	5	4	2	3	3	5	5	6	4	2	2	5	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

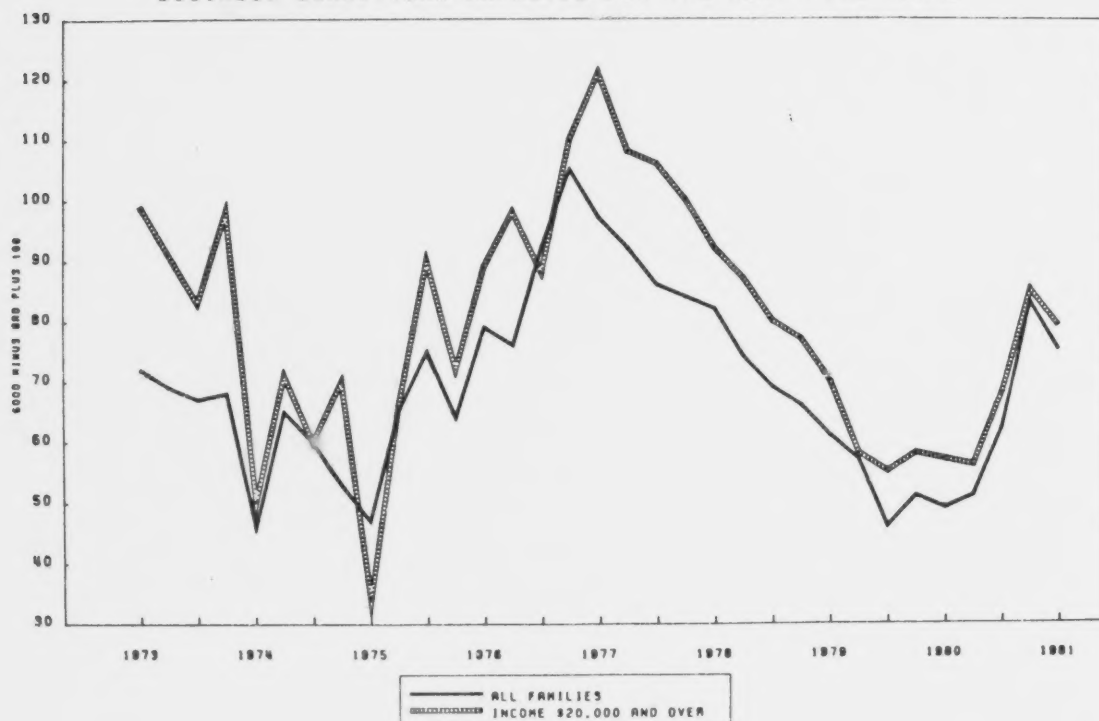


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS



TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIMES	28%	24%	23%	18%	19%	17%	13%	16%	17%	17%	21%	29%	28%
UNCERTAIN; GOOD & BAD	19	16	17	20	16	15	15	14	11	12	14	17	14
BAD TIMES	46	51	54	52	58	60	67	65	68	66	59	46	53
NOT ASCERTAINED	7	9	6	10	7	8	5	5	4	5	6	8	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIMES	33%	32%	29%	23%	24%	18%	16%	20%	21%	19%	25%	31%	30%
UNCERTAIN; GOOD & BAD	20	17	18	21	18	15	17	13	10	12	13	16	14
BAD TIMES	41	44	49	46	55	60	62	62	65	63	57	46	50
NOT ASCERTAINED	6	7	4	10	3	7	5	5	4	6	5	7	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOIMENT



CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

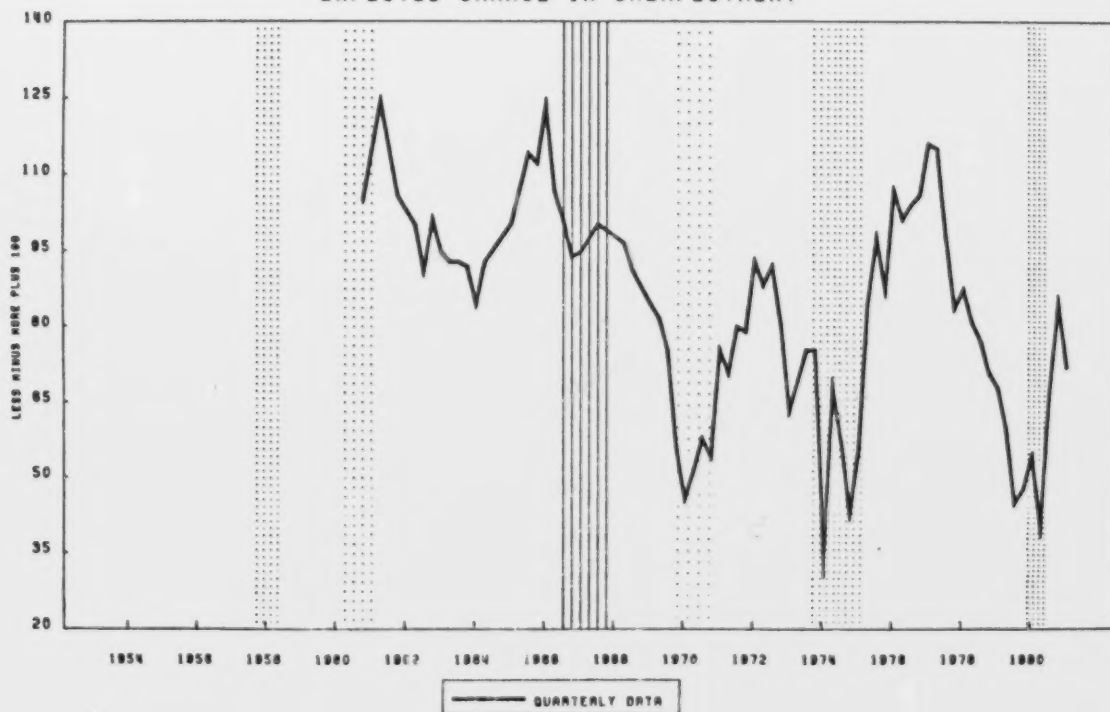


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
LESS	21%	16%	14%	12%	11%	8%	6%	7%	10%	7%	17%	21%	16%
SAME	47	51	51	47	47	42	32	34	36	26	35	45	42
MORE	28	30	32	37	39	46	60	57	52	66	46	31	40
DK,NA	4	3	3	4	3	4	2	2	2	1	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
LESS	23%	16%	13%	9%	9%	5%	5%	4%	9%	7%	16%	21%	16%
SAME	51	56	51	51	48	42	29	32	36	24	36	47	42
MORE	25	27	35	38	42	51	65	63	54	69	48	31	41
DK,NA	1	1	1	2	1	2	1	1	1	*	*	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

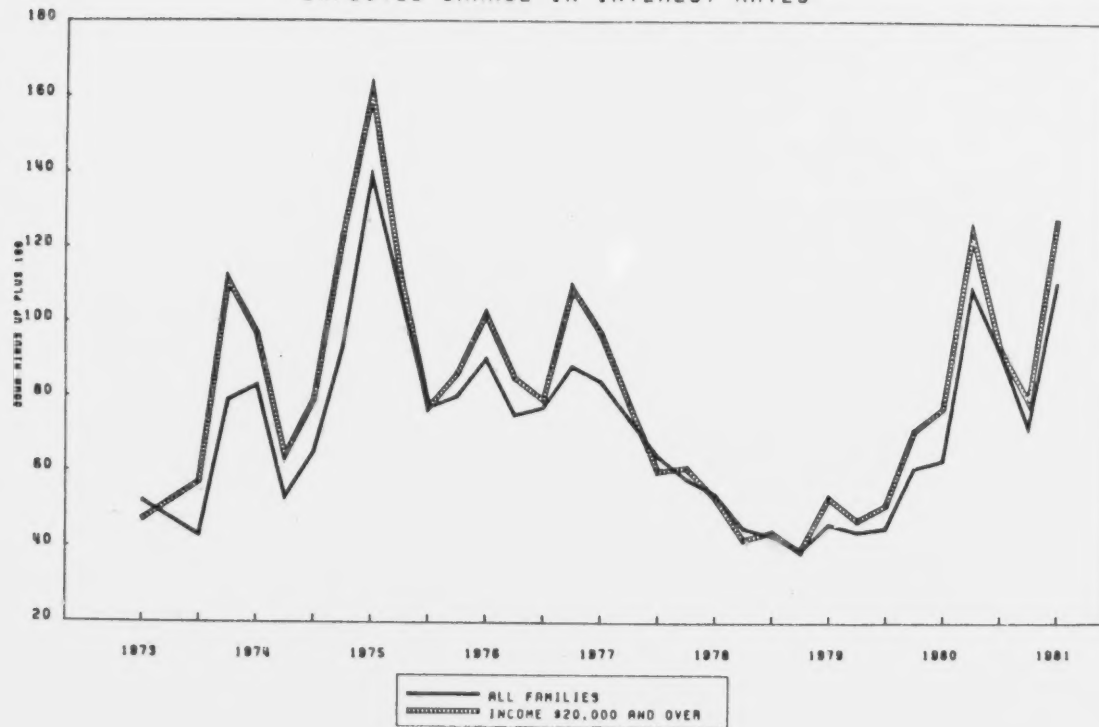


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

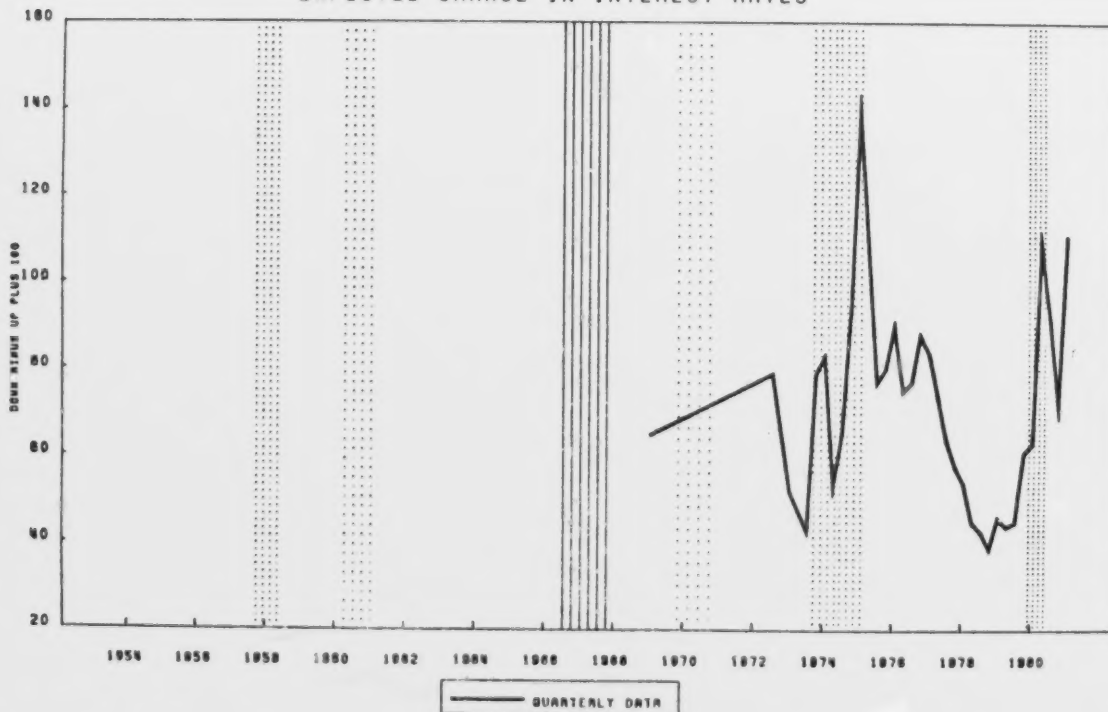


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GO UP	52%	61%	64%	67%	63%	64%	64%	57%	54%	34%	38%	51%	30%
STAY THE SAME	32	29	24	22	23	24	23	21	25	20	29	20	23
GO DOWN	7	5	7	6	9	8	9	19	17	43	29	23	41
DK,NA	9	5	5	5	5	4	4	3	4	3	4	6	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GO UP	52%	63%	64%	68%	58%	62%	62%	54%	47%	28%	37%	48%	22%
STAY THE SAME	37	31	25	22	29	26	25	20	27	19	30	21	23
GO DOWN	6	5	9	8	12	9	12	25	24	52	30	27	51
DK,NA	5	1	2	2	1	3	1	1	2	1	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
SAME OR DOWN	4%	3%	2%	4%	1%	1%	1%	1%	2%	5%	4%	2%	3%
GONE UP BY:													
1-2%	4	3	3	3	2	1	1	2	1	1	2	2	2
3-4%	7	8	4	5	5	4	3	3	4	3	5	4	4
5%	10	11	10	7	6	6	6	5	6	5	7	9	7
6-9%	17	17	16	17	17	13	10	10	8	8	11	11	9
10-14%	15	18	21	22	27	29	30	32	28	25	22	25	31
15% or more	20	22	26	22	27	32	34	33	38	38	31	31	26
DK how much up	22	18	17	20	15	14	15	14	13	14	17	15	17
DK,NA	1	*	1	*	*	*	*	*	*	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	11.7	12.9	14.1	12.9	14.8	15.5	15.4	16.2	16.4	15.9	14.5	15.0	13.6
VARIANCE	127	158	160	136	162	156	146	175	164	165	160	163	123
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
SAME OR DOWN	6%	2%	1%	2%	1%	1%	*	1%	1%	3%	5%	2%	2%
GONE UP BY:													
1-2%	3	2	3	3	2	*	1	2	1	2	1	2	2
3-4%	8	8	4	6	5	4	1	4	2	3	5	3	3
5%	15	10	11	8	6	3	4	4	6	5	5	5	6
6-9%	25	24	25	28	24	14	11	8	9	8	12	11	11
10-14%	17	23	28	23	32	37	39	40	31	30	28	33	37
15% or more	14	22	22	20	25	34	36	36	44	41	35	34	31
DK how much up	11	9	6	10	5	6	8	5	6	8	9	9	8
DK,NA	1	*	*	*	*	1	*	*	*	*	*	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	8.8	12.1	11.7	11.8	13.1	15.0	15.1	15.5	15.9	15.4	14.5	14.8	14.0
VARIANCE	52	114	87	101	105	119	103	135	118	128	134	130	100

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up, on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASES DURING NEXT 12 MONTHS



CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

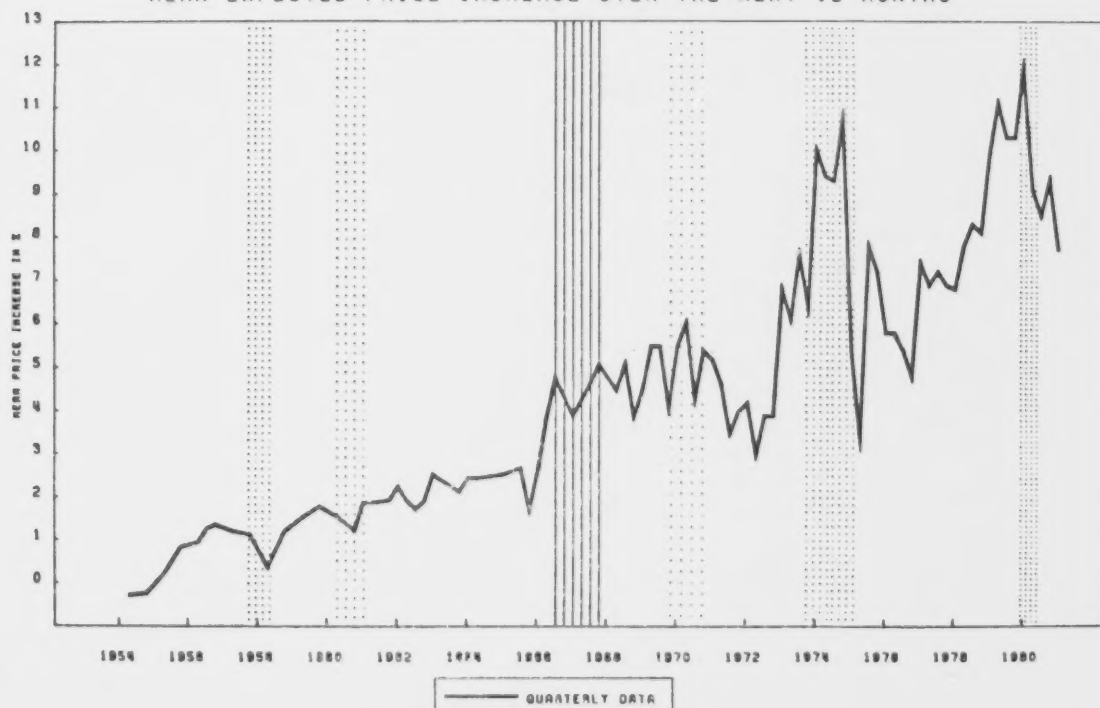


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
SAME OR DOWN	13%	11%	13%	10%	8%	8%	12%	13%	10%	26%	19%	21%	21%
WILL GO UP BY:													
1-2%	7	6	5	4	4	3	3	3	3	2	5	3	3
3-4%	10	10	8	7	7	6	6	5	4	4	6	5	8
5%	13	11	12	11	9	10	9	8	9	8	10	9	9
6-9%	17	20	17	20	20	14	13	14	11	9	11	11	12
10-14%	12	14	17	20	22	26	27	27	28	20	22	23	24
15% or more	6	8	10	7	13	19	18	16	24	19	13	16	10
DK how much up	20	18	16	19	16	12	11	12	9	10	12	10	11
DK, NA	2	2	2	2	1	2	1	2	2	2	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.8	7.8	8.3	8.1	9.9	11.1	10.3	10.3	11.9	9.1	8.5	9.3	7.7
VARIANCE	51	68	74	59	94	106	94	95	115	102	78	103	62
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
SAME OR DOWN	10%	6%	8%	6%	5%	4%	9%	11%	9%	23%	16%	16%	16%
WILL GO UP BY:													
1-2%	7	6	5	6	3	1	3	3	3	2	4	2	3
3-4%	10	9	8	8	5	6	4	5	3	5	8	5	7
5%	16	12	13	9	9	10	8	7	7	9	11	9	12
6-9%	27	31	28	31	32	17	16	16	10	11	13	14	15
10-14%	13	21	22	22	30	36	36	35	38	24	27	28	30
15% or more	5	5	7	7	9	19	18	16	25	20	15	16	9
DK how much up	11	10	8	10	7	6	6	7	5	5	5	9	7
DK, NA	1	*	1	1	*	1	*	*	*	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.4	7.5	7.6	8.0	9.1	11.2	10.5	9.9	11.6	9.0	8.9	9.4	8.0
VARIANCE	29	37	30	39	44	81	67	66	72	75	78	77	50

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS



CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

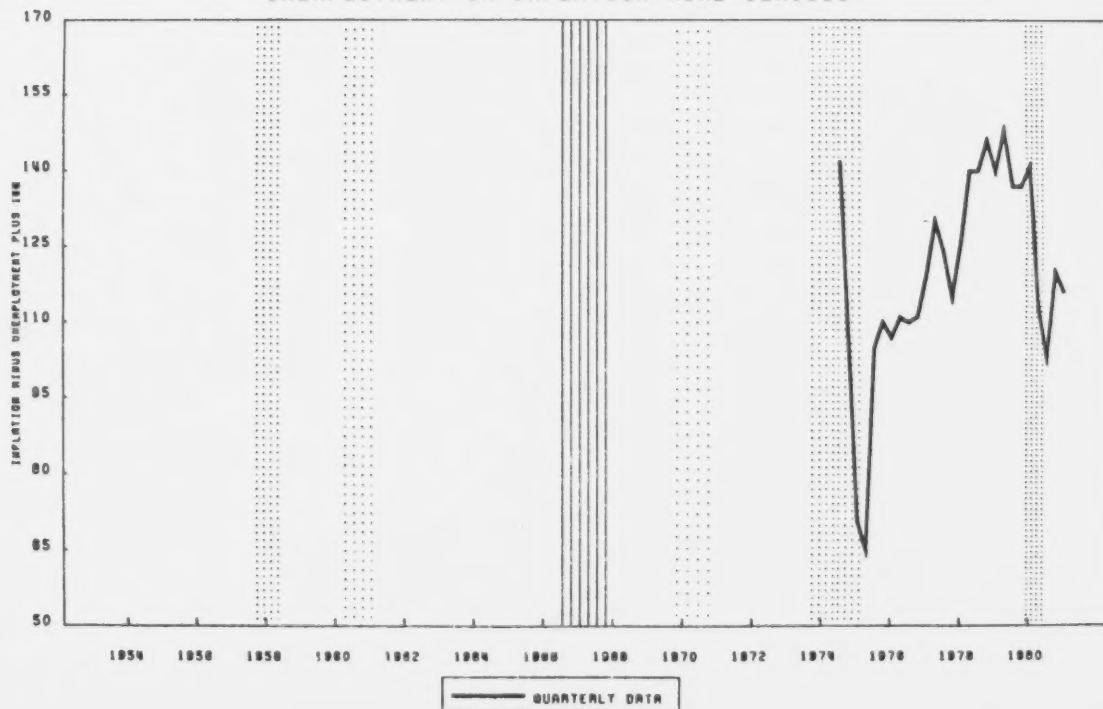


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
UNEMPLOYMENT	31%	25%	25%	21%	25%	21%	26%	26%	25%	36%	42%	34%	36%
BOTH EQUALLY SERIOUS	8	8	7	8	7	7	9	9	7	14	10	11	11
INFLATION	57	65	65	67	65	69	63	63	66	49	45	54	51
DK,NA	4	2	3	4	3	3	2	2	2	1	3	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
UNEMPLOYMENT	28%	22%	21%	21%	18%	17%	22%	23%	23%	35%	43%	33%	33%
BOTH EQUALLY SERIOUS	7	7	5	6	5	5	8	6	6	11	11	6	9
INFLATION	64	71	74	72	77	78	69	70	71	53	45	61	57
DK,NA	1	*	*	1	*	*	1	1	*	1	1	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

* : Less than half of one percent.

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY



TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
A GOOD JOB	12%	10%	10%	11%	10%	8%	7%	8%	10%	7%	9%	7%	17%
ONLY FAIR	57	55	53	55	53	48	47	47	50	45	44	44	42
A POOR JOB	26	32	34	29	32	40	43	41	36	44	44	46	33
DK,NA	5	3	3	5	5	4	3	4	4	4	3	3	8
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
A GOOD JOB	10%	6%	6%	9%	7%	5%	5%	6%	8%	6%	5%	4%	17%
ONLY FAIR	60	52	47	55	51	46	44	47	49	44	40	41	38
A POOR JOB	29	40	46	33	39	48	50	46	42	49	53	54	39
DK,NA	1	2	1	3	3	1	1	1	1	1	2	1	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS



CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

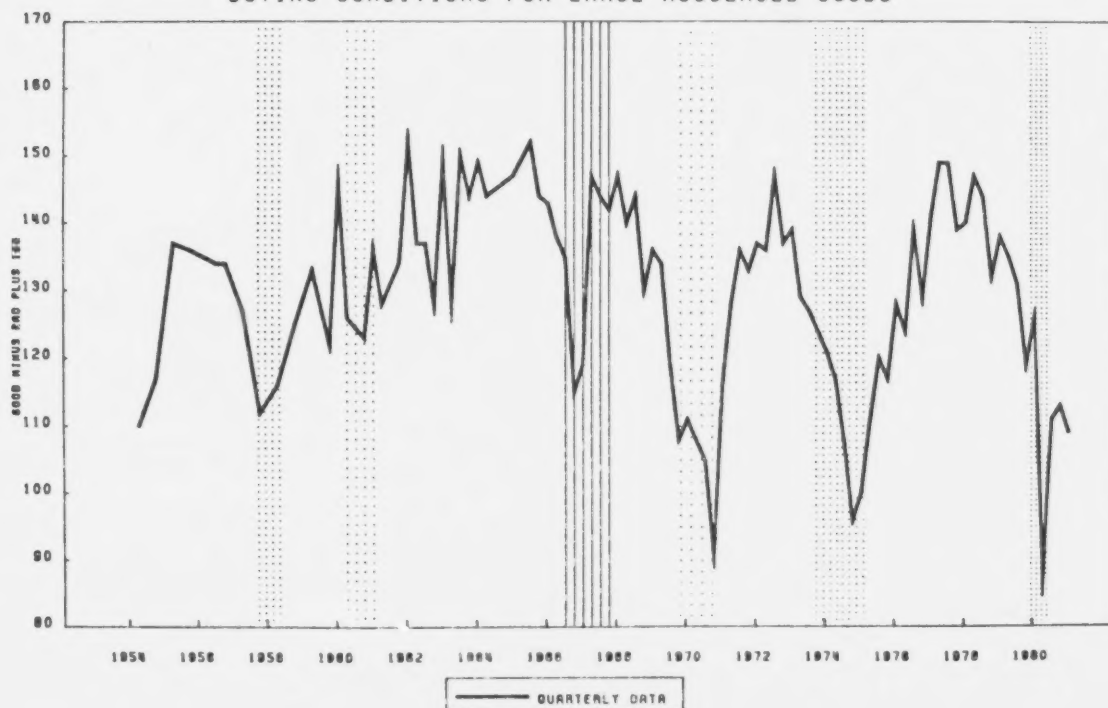


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIME TO BUY	62%	66%	64%	57%	62%	62%	60%	54%	58%	39%	48%	50%	47%
UNCERTAIN, DEPENDS	16	16	16	18	14	11	11	10	10	10	16	13	15
BAD TIME TO BUY	22	18	20	25	24	27	29	36	32	51	36	37	38
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIME TO BUY	74%	72%	70%	66%	71%	70%	63%	58%	61%	40%	51%	54%	52%
UNCERTAIN, DEPENDS	12	14	13	16	10	10	11	10	8	9	14	14	15
BAD TIME TO BUY	14	14	17	18	19	20	26	32	31	51	35	32	33
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

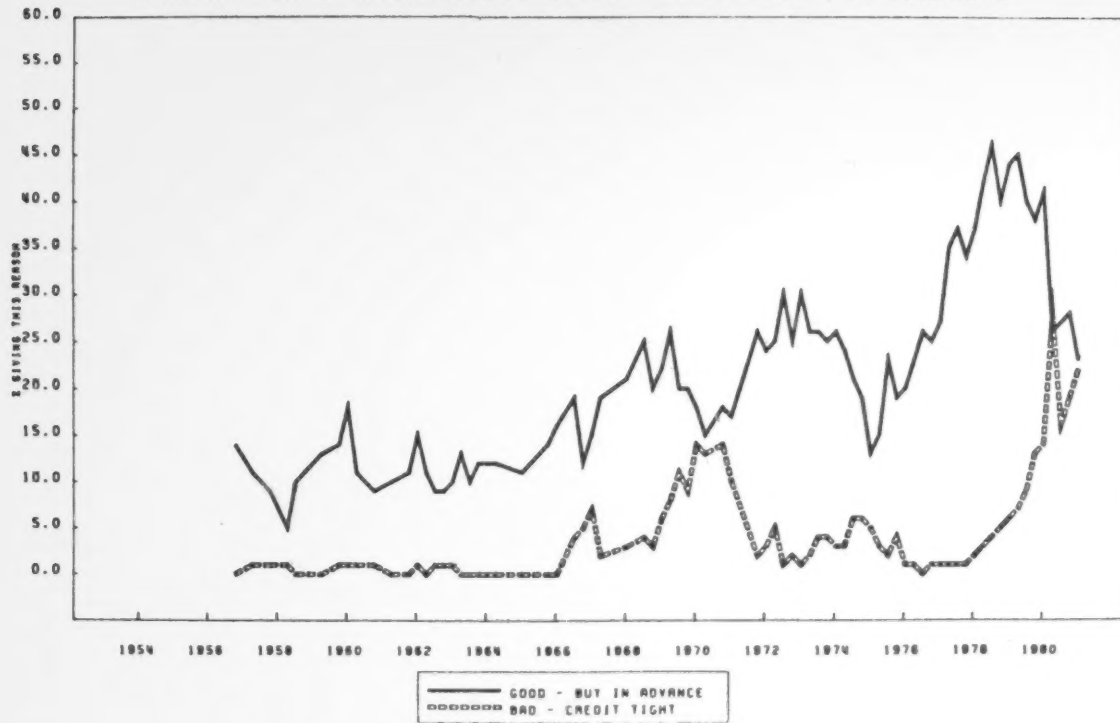


CHART 27B

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

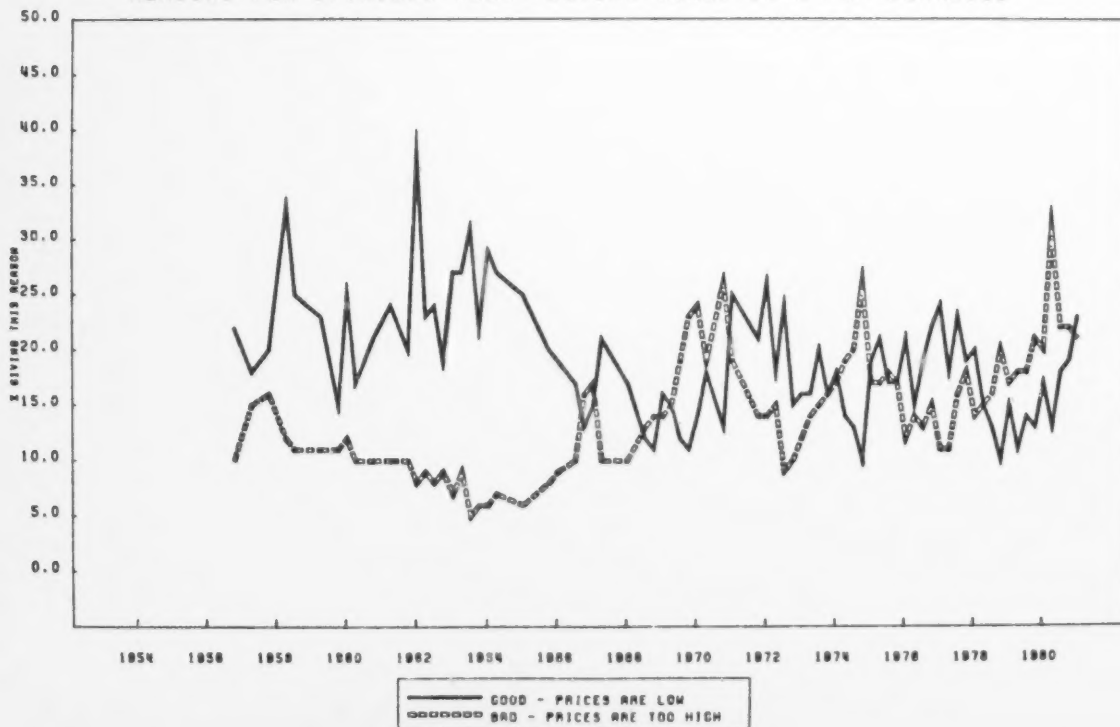


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIME TO BUY:													
Prices are low; good buys available	20%	15%	13%	10%	15%	11%	14%	13%	17%	13%	18%	19%	23%
Prices won't come down; are going higher	37	42	46	40	44	45	40	38	41	26	27	28	25
Interest rates low; credit is easy	2	3	3	2	3	3	2	3	4	3	4	3	2
BAD TIME TO BUY:													
Prices are high	14	15	16	20	17	18	18	21	20	31	22	22	21
Interest rates are high; credit is tight	2	3	4	5	6	7	9	13	14	28	16	19	24
Lack of purchasing power	7	4	4	4	6	9	10	13	13	15	15	11	13
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIME TO BUY:													
Prices are low; good buys available	27%	15%	14%	10%	15%	12%	16%	15%	20%	15%	20%	23%	25%
Prices won't come down; are going higher	42	53	53	50	51	55	45	40	44	26	30	30	31
Interest rates low; credit is easy	2	2	4	3	4	4	3	4	3	3	5	4	3
BAD TIME TO BUY:													
Prices are high	9	11	13	17	12	13	16	21	16	27	20	16	18
Interest rates are high; credit is tight	1	2	4	4	7	7	9	15	17	33	16	24	27
Lack of purchasing power	6	3	3	3	6	8	9	10	11	15	15	8	10

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

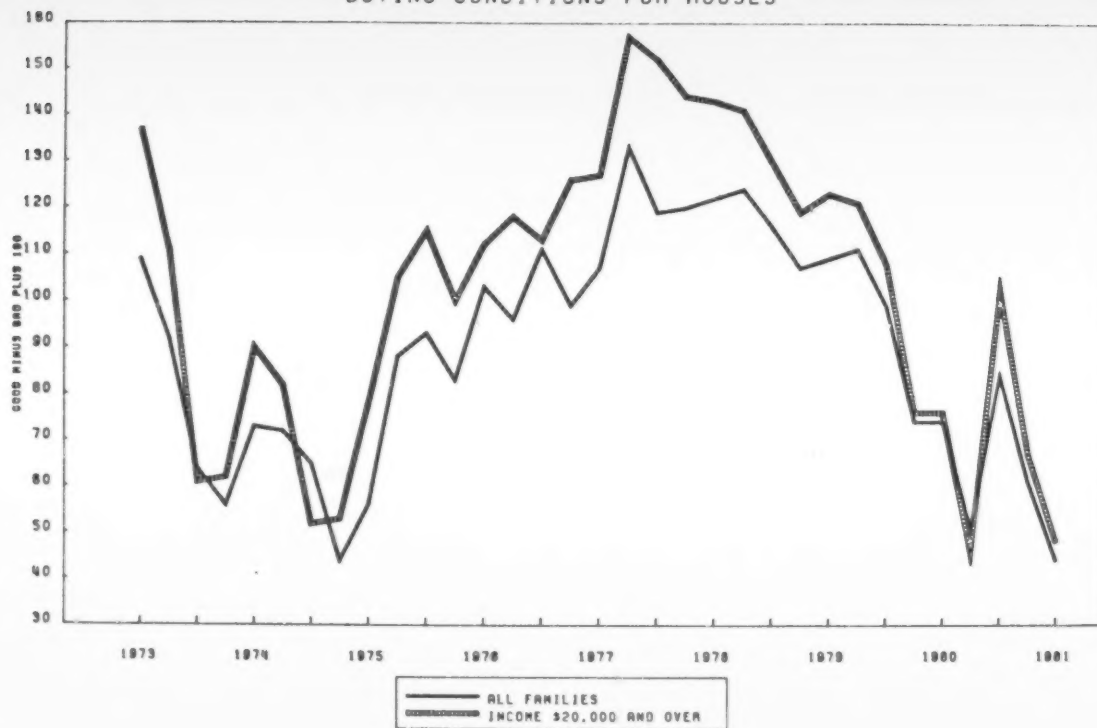


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

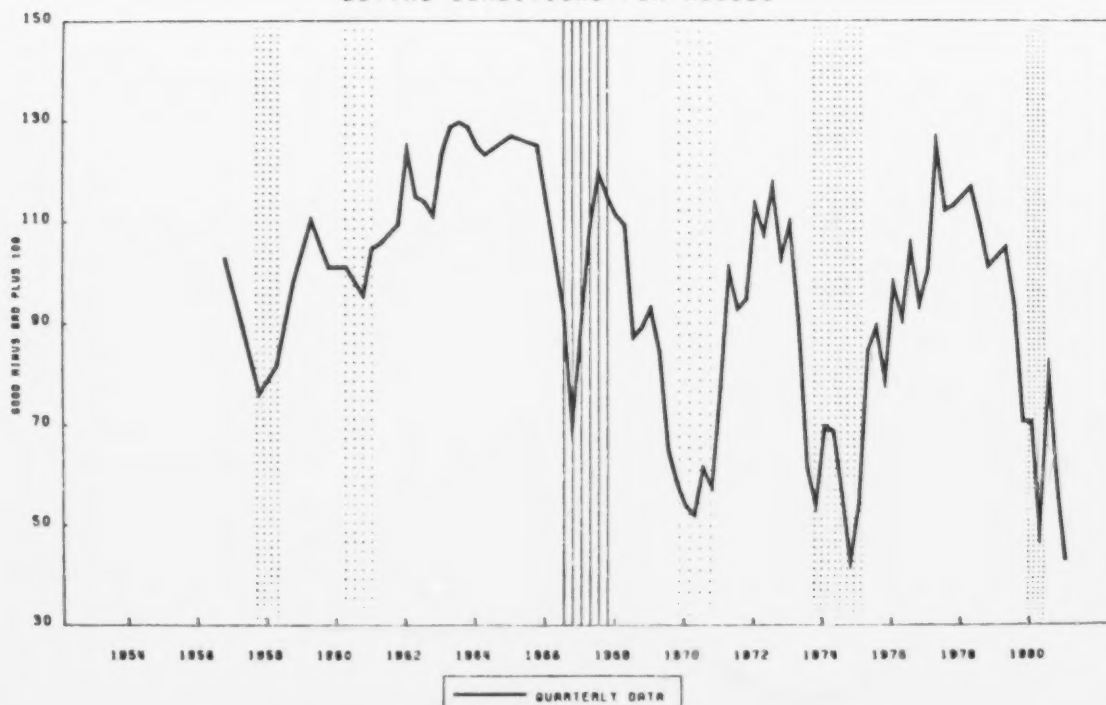


TABLE 28

BUYING CONDITIONS FOR HOUSES

Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

A. ALL FAMILIES

GOOD TIME TO BUY	56%	58%	53%	48%	50%	52%	47%	34%	35%	22%	39%	28%	20%
UNCERTAIN, DEPENDS	10	8	10	11	9	7	5	6	5	7	6	5	4
BAD TIME TO BUY	34	34	37	41	41	41	48	60	60	71	55	67	76
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

B. FAMILIES WITH INCOMES OF \$20,000 AND OVER

GOOD TIME TO BUY	68%	68%	61%	55%	58%	58%	51%	35%	36%	20%	48%	30%	21%
UNCERTAIN, DEPENDS	7	5	8	9	7	5	5	6	4	6	6	6	5
BAD TIME TO BUY	25	27	31	36	35	37	44	59	60	74	46	64	74
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

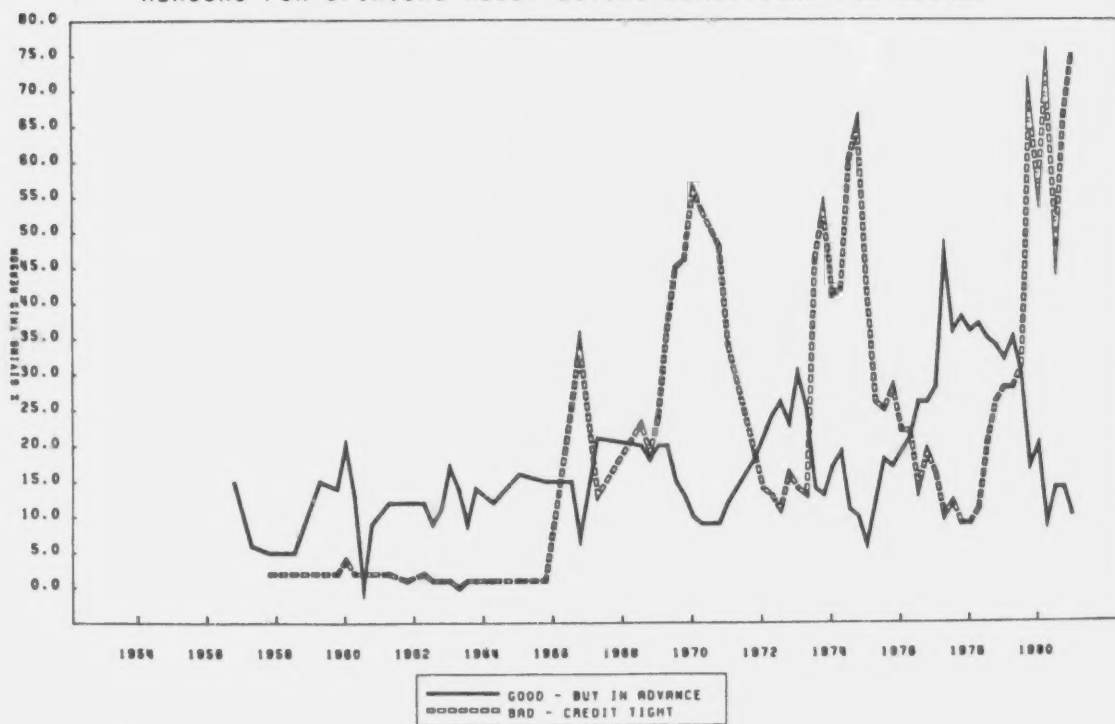


CHART 29B
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

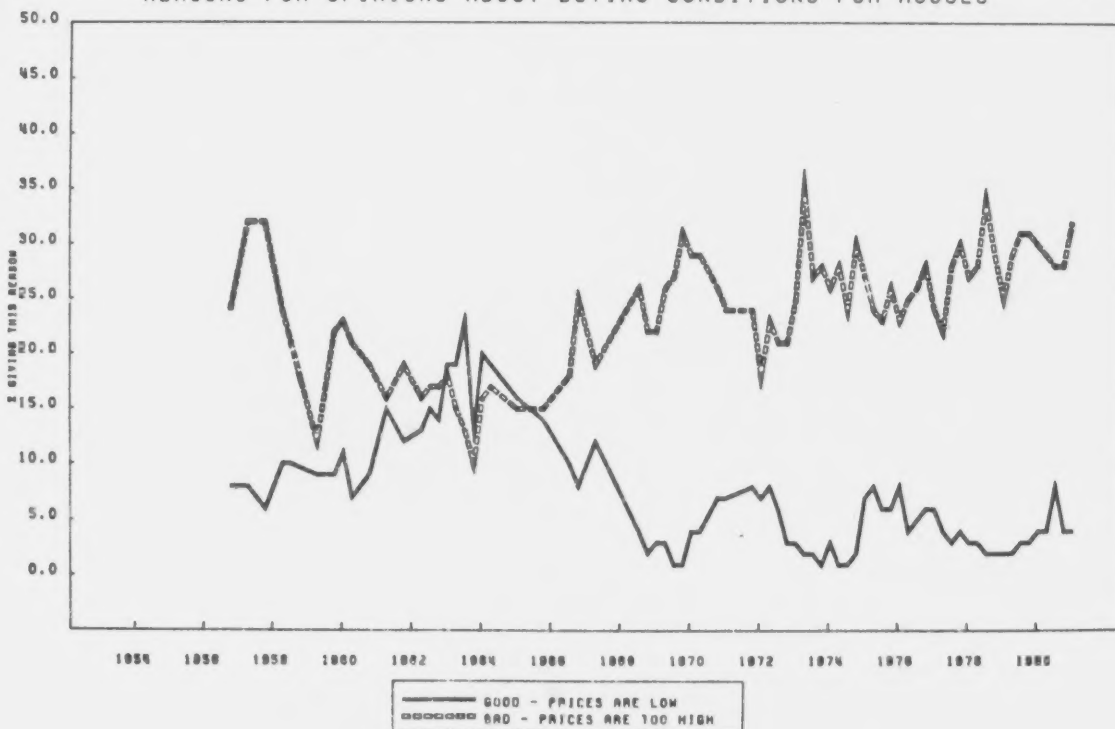


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIME TO BUY:													
Prices are low; good buys available	3%	3%	2%	2%	2%	2%	3%	3%	4%	4%	8%	4%	4%
Prices won't come down; are going higher	36	37	35	34	32	35	30	17	20	9	14	14	10
Interest rates low; credit is easy	7	10	9	9	11	12	10	8	9	8	24	11	5
Good investment	11	10	14	9	12	14	12	8	12	7	8	7	8
BAD TIME TO BUY:													
Prices are high	27	28	34	29	25	29	31	31	30	29	28	28	32
Interest rates are high; credit is tight	9	11	20	26	28	28	31	68	56	72	48	66	75
Lack of purchasing power	4	7	3	6	6	9	9	9	8	9	13	12	12
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIME TO BUY:													
Prices are low; good buys available	5%	3%	2%	5%	4%	2%	3%	4%	5%	7%	13%	7%	7%
Prices won't come down; are going higher	43	50	46	37	37	40	33	16	20	8	16	13	11
Interest rates low; credit is easy	12	16	14	11	16	18	13	10	10	9	32	13	7
Good investment	13	14	16	10	11	17	15	10	14	7	10	9	8
BAD TIME TO BUY:													
Prices are high	21	23	22	25	18	23	27	28	28	28	25	24	30
Interest rates are high; credit is tight	9	11	26	34	35	31	38	75	63	80	45	74	82
Lack of purchasing power	2	2	3	4	3	5	8	7	7	8	9	8	9

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

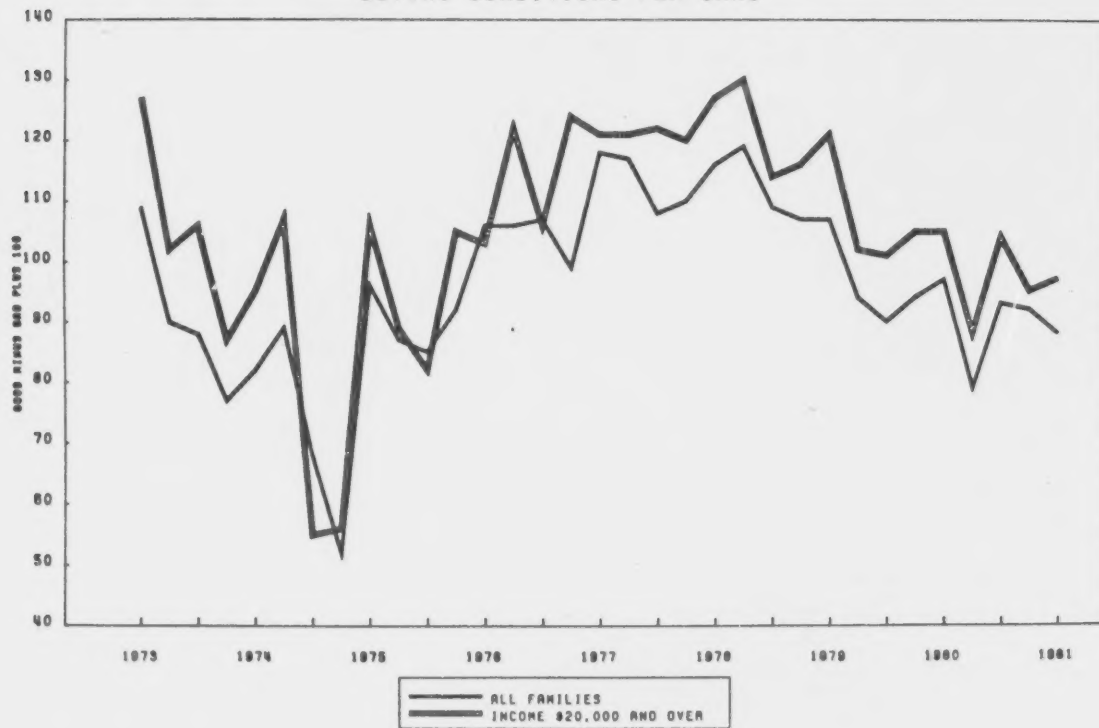


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

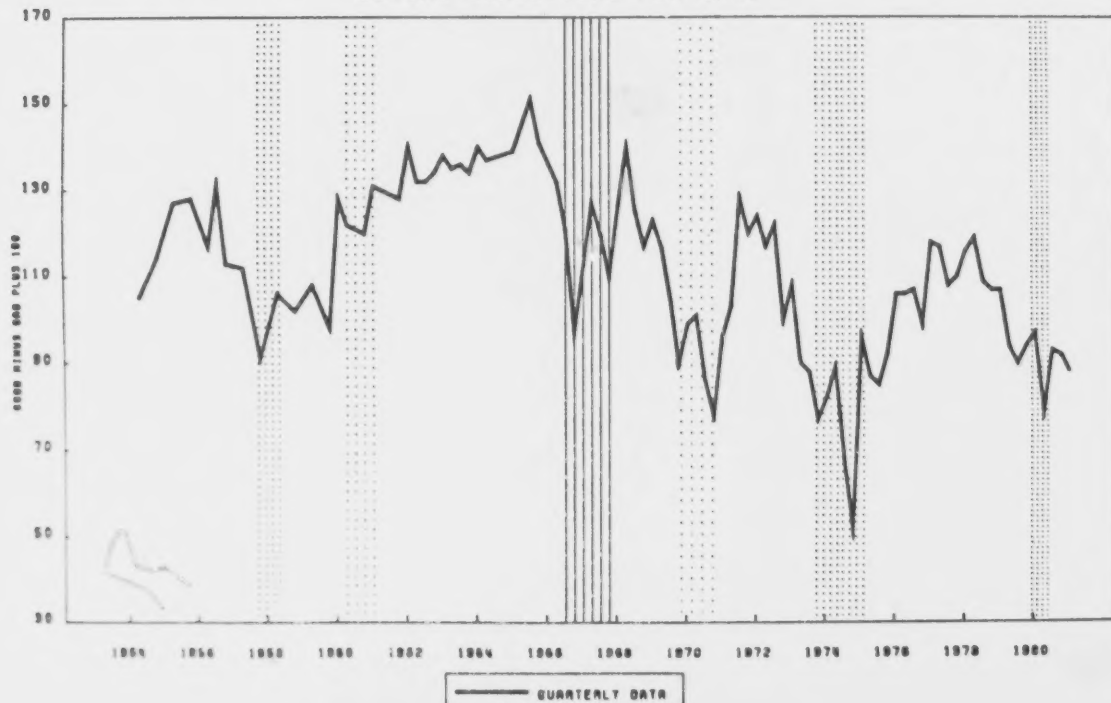


TABLE 30
BUYING CONDITIONS FOR CARS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIME TO BUY	50%	52%	46%	44%	46%	41%	38%	42%	44%	34%	40%	40%	38%
UNCERTAIN; DEPENDS	17	16	17	19	15	12	14	10	9	11	13	13	12
BAD TIME TO BUY	33	32	37	37	39	47	48	48	47	55	47	47	50
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIME TO BUY	56%	58%	50%	50%	55%	45%	44%	49%	48%	39%	45%	42%	43%
UNCERTAIN; DEPENDS	15	14	14	17	11	12	14	7	9	10	13	11	10
BAD TIME TO BUY	29	28	36	33	34	43	42	44	43	51	42	47	47
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

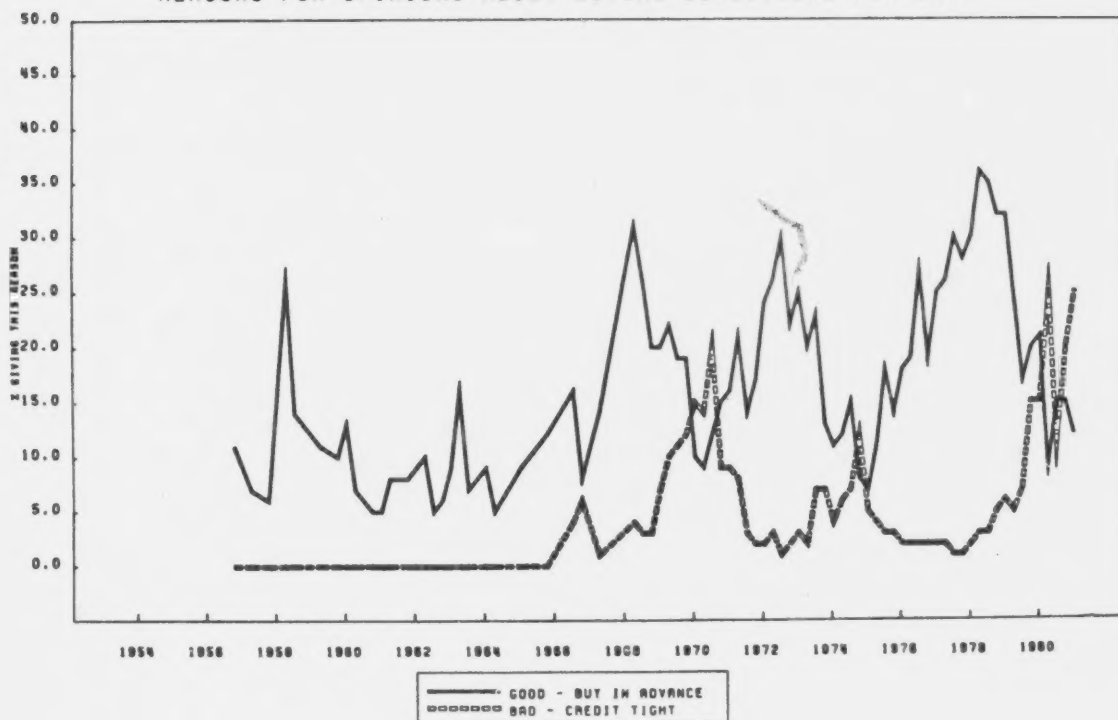


CHART 31B
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

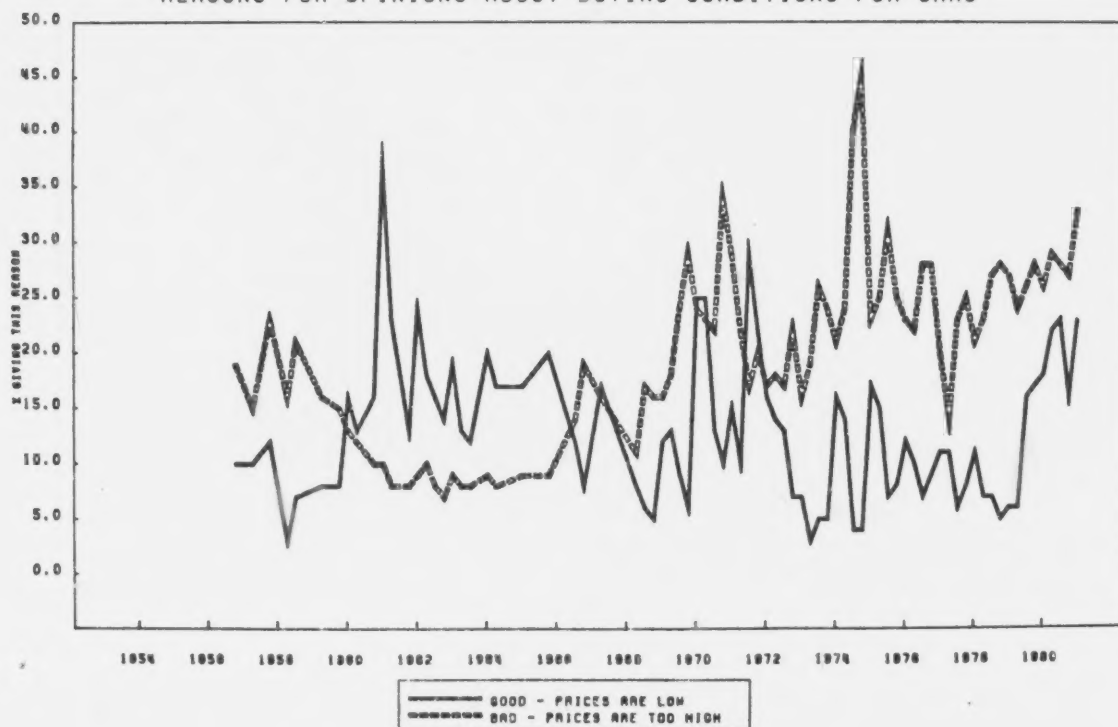


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
GOOD TIME TO BUY:													
Prices are low; good buys available	11%	7%	7%	5%	6%	6%	16%	17%	18%	22%	23%	16%	23%
Prices won't come down; are going higher	30	36	35	32	32	24	17	20	21	9	15	15	12
Interest rates low; credit is easy	2	1	2	2	2	2	1	2	3	3	4	3	3
New fuel efficient models	3	3	2	2	4	13	10	9	12	8	6	8	5
BAD TIME TO BUY:													
Prices are high	21	23	27	28	27	24	26	28	26	29	28	27	33
Interest rates are high; credit is tight	2	3	3	5	6	5	7	15	15	25	11	20	25
Lack of purchasing power	4	3	3	3	3	5	6	6	6	6	8	8	8
Price of gas; shortages	2	1	1	2	7	22	19	12	16	13	5	4	6
Poor selection; quality	8	10	11	9	9	11	11	9	10	8	12	12	9
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	7%	7%	6%	6%	7%	21%	22%	24%	30%	28%	18%	32%
Prices won't come down; are going higher	35	42	38	37	40	28	17	22	22	9	17	17	14
Interest rates low; credit is easy	2	1	2	2	3	2	1	3	3	2	6	4	4
New fuel efficient models	3	5	3	2	5	14	13	9	13	8	7	7	5
BAD TIME TO BUY:													
Prices are high	17	20	24	23	20	22	23	23	24	25	25	26	27
Interest rates are high; credit is tight	1	2	4	5	7	5	6	18	15	28	10	22	31
Lack of purchasing power	3	1	2	3	2	5	3	5	4	6	8	5	6
Price of gas; shortages	2	3	1	3	7	22	17	10	13	9	4	3	2
Poor selection; quality	8	10	12	9	10	13	11	10	12	10	15	17	10

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
PROBABLY WILL BUY	19%	20%	21%	21%	18%	17%	14%	16%	20%	14%	16%	15%	15%
CHANCES ARE EVEN	8	7	6	6	9	6	7	6	8	7	6	6	7
PROBABLY WILL NOT BUY	59	61	63	65	61	66	69	68	62	68	66	67	65
DK, NA	14	12	10	8	12	11	10	10	10	11	12	12	13
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
PROBABLY WILL BUY	31%	32%	33%	30%	30%	26%	21%	19%	30%	18%	22%	23%	22%
CHANCES ARE EVEN	10	10	7	7	10	8	10	9	9	11	8	7	9
PROBABLY WILL NOT BUY	57	58	57	62	59	64	67	68	59	69	66	68	67
DK, NA	2	*	3	1	1	2	2	4	2	2	4	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

* : Less than half of one percent.

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	27%	27%	27%	27%	27%	23%	21%	22%	28%	21%	22%	21%	22%
PURCHASE TYPE:													
Buy new	15	13	11	14	11	12	11	9	14	9	9	10	10
Buy used	10	12	11	11	15	10	9	11	12	9	11	8	9
Lease	1	1	3	1	1	1	1	1	1	1	1	1	1
DK,NA	1	1	2	1	*	*	*	1	1	2	1	2	2
PURCHASE TIMING:													
Next 3 months	3	5	5	2	3	4	3	4	2	3	3	3	2
Next 4-6 months	6	6	6	4	7	7	4	4	7	6	5	3	5
Next 7-9 months	8	5	4	5	6	4	4	5	7	5	3	6	6
10 months or more	4	3	5	6	6	3	4	5	6	3	4	4	4
DK,NA	6	8	7	10	5	5	6	4	6	4	7	5	5
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	41%	42%	40%	37%	40%	34%	31%	28%	39%	29%	30%	30%	31%
PURCHASE TYPE:													
Buy new	27	27	21	23	22	21	18	15	23	16	16	16	17
Buy used	10	11	10	11	14	11	11	10	12	9	11	11	8
Lease	2	2	7	2	3	1	1	2	3	2	1	2	3
DK,NA	2	2	2	1	1	1	1	1	1	2	2	1	3
PURCHASE TIMING:													
Next 3 months	4	8	7	3	4	6	6	5	3	4	5	4	4
Next 4-6 months	9	12	10	7	10	11	7	5	12	7	7	6	7
Next 7-9 months	12	9	9	7	11	7	5	8	9	8	6	7	8
10 months or more	8	5	7	9	9	5	8	6	8	4	4	6	6
DK,NA	8	8	7	11	6	5	5	4	7	6	8	7	6

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?", "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Jan- Mar. 1978	Apr- June 1978	Jul- Sept 1978	Oct- Dec. 1978	Jan- Mar. 1979	Apr- June 1979	Jul- Sept 1979	Oct- Dec. 1979	Jan- Mar. 1980	Apr- June 1980	Jul- Sept 1980	Oct- Dec. 1980	Jan- Mar. 1981
A. ALL FAMILIES													
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	59%	61%	63%	65%	61%	66%	69%	68%	62%	68%	66%	67%	65%
PURCHASE TYPE:													
Would buy new	32	32	37	36	34	38	39	41	36	39	38	40	34
Would buy used	23	26	23	25	24	26	28	25	24	26	26	24	28
DK,NA	4	3	3	4	3	2	2	2	2	3	2	3	3
PURCHASE TIMING:													
Less than 2 years	6	7	4	6	5	5	7	7	7	7	5	6	5
2 years	17	20	19	19	17	20	20	18	21	17	20	21	21
3 years	9	8	10	12	9	11	11	11	7	11	10	13	10
4 years or more	12	13	17	16	15	16	17	19	17	20	20	16	18
Indefinite	7	6	7	3	7	6	6	6	3	4	4	4	4
DK,NA	8	7	6	9	8	8	8	7	7	9	7	7	7
B. FAMILIES WITH INCOMES OF \$20,000 AND OVER													
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	57%	58%	57%	62%	59%	64%	67%	68%	59%	69%	66%	68%	67%
PURCHASE TYPE:													
Would buy new	39	36	41	40	38	43	44	47	39	47	48	49	44
Would buy used	16	20	14	20	18	20	21	20	19	20	17	17	21
DK,NA	2	2	2	2	3	1	2	1	1	2	1	2	2
PURCHASE TIMING:													
Less than 2 years	9	8	7	8	9	7	8	10	8	8	6	7	7
2 years	25	23	25	24	24	26	25	25	24	23	24	26	22
3 years	8	12	10	12	12	12	11	11	6	12	13	13	11
4 years or more	11	10	13	11	10	13	17	17	15	20	18	16	20
Indefinite	2	1	2	1	2	2	1	2	1	2	2	2	3
DK,NA	2	4	*	6	2	4	5	3	5	4	3	4	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.



47475-1 U A
4/15/81

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

First Quarter Survey
January-March 1981

April 7, 1981

SLOW ECONOMIC PROGRESS DIMS CONSUMER OPTIMISM

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Business Prospects Improve	2
Personal Finances Remain Weak	5
Unfavorable Buying Attitudes	8
Summary Outlook	10

ATTACHMENTS:

January-March 1981 Tables and Charts

The first quarter 1981 surveys included 2,069 interviews, conducted between January 5 and March 24, 1981.

Highlights

- ** In the January-March 1981 surveys, the Index of Consumer Sentiment was 68.3, down 3.8 Index points from the fourth-quarter 1980 surveys, but nearly 5 Index points above the year-earlier reading. On balance, consumer sentiment has remained largely unchanged during the past 9 months, following the record low level of 54.4 recorded in the second quarter of 1980.
- ** Among families with incomes of \$20,000 or more, the Index stood at 73.7 in the January-March 1981 surveys, down 1.6 Index points from the fourth-quarter surveys, but about 5 Index points above the year-earlier reading.
- ** Expected changes in nominal family income were maintained at high levels in the first-quarter 1981 surveys. Among all families in the first quarter of 1981, 27 percent expected income increases of 10% or more, nearly equal to the 29 percent recorded a year earlier. Coupled with lower rates of expected inflation, real income declines were expected less frequently in the first quarter of 1981 (42 percent) than a year earlier (53 percent).
- ** Two-thirds of all consumers thought current business conditions worsened during the past year, the same proportion as recorded a year earlier. In contrast, expected changes in business conditions have improved substantially: in the first quarter of 1981, improvement was expected by 37 percent (up from 17 percent in first quarter 1980), compared with 18 percent who expected further deterioration (down from 35 percent in first quarter 1980). When asked why they expected business conditions to change in the year ahead, 33 percent spontaneously referred to the Reagan administration and changes in government economic policy.
- ** Interest rate expectations moderated considerably in the first-quarter 1981 surveys. Among all families, 41 percent expected interest rates to decline in the year ahead, up from 23 percent in the fourth quarter of 1980. Price expectations also moderated in the first-quarter 1981 survey. Among all families, the average expected rate of inflation during the year ahead was 7.7% in the January-March surveys, down from 9.3% in the fourth-quarter 1980 surveys, and 11.9% in the first-quarter 1980 surveys.
- ** Buying attitudes were less favorable in early 1981 than a year earlier. Attitudes toward market conditions for houses reached a new all-time unfavorable level, with 76 percent reporting in the January-March 1981 surveys that it was a bad time to buy houses, mainly due to high interest rates. Favorable attitudes toward market conditions for cars were held by 38 percent in early 1981, down from 44 percent in the first-quarter of 1980.

* * *

The January-March 1981 surveys indicate that consumer sentiment has remained unchanged during the first quarter of 1981. Evaluations of the current financial situation of individual consumers as well as for the economy as a whole are unfavorable and remain near the record 1980 low levels. In contrast, expectations for improvement in personal finances and business conditions were significantly more favorable in early 1981 than during 1980. Expected change in government economic policy is the primary reason for the improved business outlook. Importantly, price expectations have moderated, and helped to improve the financial outlook for consumers as well as for the economy in general. Buying attitudes have remained unfavorable due to high interest rates. In addition, the financial strains on consumers have led them to become more reluctant to make major purchases. These results indicate that only slow gains in consumer sales can be expected during 1981.

No Improvement in Sentiment

In the January-March 1981 Surveys, the Index of Consumer Sentiment was 68.3, down 3.8 Index points from the fourth quarter 1980 surveys, but 4.8 Index points above the year-earlier reading. Following the record low of 54.4 in the second quarter of 1980, the Index rose to 67.8 in the third quarter 1980, and has remained unchanged on balance since then. In early 1981, perceptions of prospects for improved business conditions were somewhat less favorable than in late 1980, although in comparison with year-earlier readings, business expectations remained at much improved levels. In contrast, consumer evaluations of current economic conditions were less favorable in 1981 than in early 1980, especially attitudes toward buying conditions.

Among families with incomes of \$25,000 or more, the Index value was 76.1 in the January-March 1981 surveys, down 2.2 Index points from the fourth quarter 1980 surveys, although 6.5 Index points above the year-earlier reading. In each of the four major geographic regions, as well as in each major age subgroup, the Index of Consumer Sentiment in January-March 1981 was 4 to 6 Index points higher than comparable year-earlier reading. Although the overall year-to-year changes were similar, declines recorded from late 1980 were relatively greater among residents of the South (a decline of 6.0 Index points), and among those 55 and older (a decline of 6.1 Index points).

Business Prospects Improve

In each quarter since mid-1979, at least two-thirds of all respondents thought that business conditions had worsened during the prior year, with the first quarter 1981 surveys showing no recent improvement. Among all respondents in the January-March 1981 surveys, 69 percent reported that business conditions had worsened, just above the 67 percent recorded in the fourth quarter 1980, and 66 percent recorded in the first quarter of 1980. News of recent changes in business conditions heard and recalled by respondents was somewhat more favorable in early 1981 than a year earlier, although unfavorable news items continued to dominate reports. Fewer references to increases in prices and interest rates, and more frequent references to favorable changes in government economic policies were recorded in early 1981 than a year earlier, especially among families with incomes over \$20,000.

Despite the continued widespread unfavorable view of current economic conditions, improvement in business conditions during the year ahead was more frequently expected in the first quarter of 1981 than a year earlier. From early 1980 to early 1981, the overall proportion that expected improved business conditions doubled, while the proportion that expected conditions to worsen was cut in half. The first quarter 1981 and the first quarter 1980 yielded nearly reverse distributions: the proportion that expected improvement rose from 17 to 37 percent, while the proportion that expected further declines fell from 35 to 18 percent. When asked why they expected business conditions to change during the next 12 months, one-in-three respondents made references to the new administration and changes in government economic policy, a substantial increase from the one-in-ten who mentioned the same factors in the first quarter of 1980. In addition, fewer consumers cited the unfavorable impact of inflation on business conditions in 1981 than a year earlier.

When asked whether they expected a reduction in personal income taxes during the year ahead, 58 percent of all respondents in the March 1981 survey expected Congress to pass such a law, unchanged from the 58 percent recorded in February 1981 survey, but more than twice the 25 percent recorded just prior to Reagan's election. Although the February and March 1981 surveys indicate that the majority expect a tax reduction, the growth in opinion has slowed with more than one-in-three remaining unconvinced that Congress will pass such a law.

Table A
EXPECTED TAX REDUCTION

<u>Expect Tax Reduction?</u>	<u>October 1980</u>	<u>November 1980</u>	<u>January 1981</u>	<u>February 1981</u>	<u>March 1981</u>
Yes	25%	46%	41%	58%	58%
No	64	42	43	29	32
Uncertain; don't know	10	11	15	11	8
Not ascertained	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>
Total	100%	100%	100%	100%	100%

The question was: "Do you think personal income taxes will actually be reduced or rebated in the next 12 months--I mean, will Congress pass such a law?"